

**CONTRACT BETWEEN THE CITY OF AUSTIN (“City”)
and
MCCONNELL & JONES LLP (“Contractor”)
for
Audit Of The City of Austin Deferred Compensation Plan Financial Summaries
Contract Number: MA 7400 PA200000065**

The City accepts the Contractor’s Offer for the above requirement and enters into the following Contract. This Contract is between McConnell & Jones LLP having offices at 4828 Loop Central Drive, Ste 1000 and the City, a home-rule municipality incorporated by the State of Texas. Capitalized terms used but not defined herein have the meanings given in the Solicitation.

1.1 This Contract is composed of the following documents in order of precedence:

- 1.1.1 This Document
- 1.1.2 The City’s Solicitation RFQS 7400 JOG4000 including all documents incorporated by reference
- 1.1.3 Contractor’s Offer, dated 04/21/2020, incorporated herein
- 1.1.4 Contractor’s Price Proposal, dated 05/18/2020, incorporated herein

1.2 Compensation.

The Contractor shall be paid a total Not-to-Exceed amount of \$44,000.00 for the initial contract term and \$22,000.00 for the extension option periods for each extension option as indicated in the Offer.

Unless otherwise specified, prices are firm and fixed for the first twelve (12) months.

1.3 Term of Contract.

This Contract shall commence upon execution and shall remain in effect for an initial term of twenty-four (24) months or the City terminates the Contract.

This Contract may be extended beyond the initial term for up to three additional twelve (12) month periods at the City’s sole option. If the City exercises any extension option, all terms, conditions, and provisions of this Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under this Contract.

- 1.4 Designation of Key Personnel.** The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor shall promptly notify the City and obtain approval for the replacement. Such approval shall not be unreasonably withheld. The Contractor’s and City’s key personnel are identified as follows:

| | Name | Phone Number | Email Address |
|-----------------------------|--------------|--------------|--|
| Contractor Contract Manager | Eric Ernest | 713-968-1631 | EErnest@mjlm.com |
| City Contract Manager | Gail Ray | 512-974-7884 | GailRay@austintexas.gov |
| City Procurement Specialist | Jo Gutierrez | 512-974-2827 | Jo.gutierrez@austintexas.gov |

1.5 **Invoices.** The City's preference is to have invoices mailed to the below address:

| | |
|-----------------------|------------------------------|
| | City of Austin |
| Department | Financial Services |
| Attn: | Gail Ray |
| Address | 919 Congress Ave, Suite 1250 |
| City, State, Zip Code | Austin, TX 78701 |

For questions regarding your invoice/payment please contact the City Contract Manager.

This Contract (including any Exhibits and referenced Documents) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

MCCONNELL & JONES LLP

Eric Ernest

Printed Name of Authorized Person


Signature

Partner

Title:

June 8, 2020

Date:

CITY OF AUSTIN

Jo Gutierrez

Printed Name of Authorized Person


Signature

Procurement Specialist III

Title:

June 8, 2020

Date:



CITY OF AUSTIN, TEXAS
Purchasing Office
REQUEST FOR QUALIFICATION STATEMENTS (RFQS)
OFFER SHEET

SOLICITATION NO: RFQS 7400 JOG4000

COMMODITY/SERVICE DESCRIPTION: Audit Of The City
Of Austin Deferred Compensation Plan Financial Summaries

DATE ISSUED: March 16, 2020

REQUISITION NO.: RQM 7400 20030300388

PRE-RESPONSE CONFERENCE TIME AND DATE: N/A

COMMODITY CODE: 94620, 91804

RESPONSES DUE PRIOR TO: April 14, 2020, 2:00 PM, Central
Time

**FOR CONTRACTUAL AND TECHNICAL
ISSUES CONTACT THE FOLLOWING
AUTHORIZED CONTACT PERSON:**

RESPONSE OPENING TIME AND DATE: April 14, 2020,
3:00 PM, Central Time

Jo Gutierrez
Procurement Specialist III

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701

Phone: (512) 974-2827

E-Mail: jo.gutierrez@austintexas.gov

LIVE SOLICITATION OPENING ONLINE: For RFQS's, only the
names of respondents will be read aloud

For information on how to attend the Solicitation Closing online,
please select this link:

<http://www.austintexas.gov/departments/bid-opening-webinars>

When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:

| Address for US Mail (Only) | Address for FedEx, UPS, Hand Delivery or Courier Service |
|--|--|
| City of Austin | City of Austin, Municipal Building |
| Purchasing Office-Response Enclosed for Solicitation # RFQS 7400 JOG4000 | Purchasing Office-Response Enclosed for Solicitation # RFQS 7400 JOG4000 |
| P.O. Box 1088 | 124 W 8 th Street, Rm 310 |
| Austin, Texas 78767-8845 | Austin, Texas 78701 |
| | Reception Phone: (512) 974-2500 |

NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY (USB FLASH DRIVE) OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

| SECTION NO. | TITLE | PAGES |
|--------------|---|-------|
| 0100 | STANDARD PURCHASE DEFINITIONS | 5 |
| 0200 V2 | STANDARD SOLICITATION INSTRUCTIONS, UPDATED JUNE 26, 2018 | 11 |
| 0300 | STANDARD PURCHASE TERMS AND CONDITIONS | 15 |
| 0400 | SUPPLEMENTAL PURCHASE PROVISIONS | 4 |
| 0500 | SCOPE OF WORK | 5 |
| 0510 | EXCEPTIONS CHECKLIST | 1 |
| 0600 | RESPONSE PREPARATION INSTRUCTIONS & EVALUATION FACTORS | 3 |
| 0700 | REFERENCE SHEET – Complete and return if required | 2 |
| 0800 | NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION–Complete and return | 2 |
| 0805 | NON-SUSPENSION OR DEBARMENT CERTIFICATION | * |
| 0810 V2 | NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION, UPDATED JUNE 26, 2018 | * |
| 0900 | SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM – Complete & return | 1 |
| 0905 | SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN – Complete and return if applicable | 3 |
| ATTACHMENT A | PLAN HIGHLIGHTS 2020 DOCUMENT | 4 |

***Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the * Sections are available on the Internet at the following online address:**

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: _____

Company Address: _____

City, State, Zip: _____

Vendor Registration No. _____

Printed Name of Officer or Authorized
Representative: _____

Title: _____

Signature of Officer or Authorized
Representative: _____

Date: _____

Email Address: _____

Phone Number: _____

*** Qualifications Statement must be submitted with this signed Offer sheet to be considered for award**

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE DEFINITIONS**

Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

1. **Addendum** - a written instrument issued by the Contract Awarding Authority that modifies or clarifies the Solicitation prior to the Due Date. "Addenda" is the plural form of the word.
2. **Alternate Offers** - multiple Offers with substantive variations from the same Offeror in response to a Solicitation.
3. **Appropriate, Appropriated, or Appropriation** - the adoption by the City Council of a budget for a fiscal year that includes payments to be made under the Contract during the respective fiscal year.
4. **Authorized City Representative** - a person designated by the City Manager to act for the Contract Awarding Authority.
5. **Best Offer** - the best evaluated Offer in response to a Request for Proposals or Request for Qualification Statements.
6. **Best Offeror** - the Offeror submitting the Best Offer.
7. **Bid** - a complete, properly signed response to an Invitation for Bid, which if accepted, would bind the Bidder to perform the resultant Contract.
8. **Bidder** - a person, firm, or entity that submits a Bid in response to an Invitation for Bid. Any Bidder may be represented by an agent after submitting evidence demonstrating the agent's authority. The agent cannot certify as to his own agency status.
9. **Bid Guaranty** – a form of security assuring that the bidder (a) will not withdraw the Bid within the period specified for acceptance, and (b) will execute a Contract and furnish required bonds and any necessary insurance within the time specified in the Solicitation, unless a longer time is allowed by the City. The guarantee will be returned to the Bidder upon execution of a Contract.
10. **Bid Sheet** - a document, signed and dated by a Bidder, containing unit and extended bid prices for all goods and/or services, identified by item numbers and descriptions, for which Bids are being submitted
11. **Business Entity** – any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation.
12. **Central Purchase Order (CT)** - a financial system document issued by the Contract Awarding Authority to encumber funds to pay for the deliverables identified in a Contract.
13. **City** - the City of Austin, a Texas home-rule municipal corporation.
14. **Compliance Plan** - is defined in chapter 2-9 of the City Code.
15. **Construction** - the construction, repair, rehabilitation, alteration, conversion or extension of buildings, parks, utilities, streets or other improvements or alterations to real property.
16. **Contract** - a binding legal agreement between the City and the Offeror. The Contract includes, without limitation, the Solicitation, the Offer submitted in response to the Solicitation, the Contract award, the Standard Purchase Terms and Conditions, Supplemental Terms and Conditions if any, Specifications, and any addenda and amendments thereto. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE DEFINITIONS**

- A. any exceptions to the Offer accepted in writing by the City
 - B. the Supplemental Purchase Terms and Conditions
 - C. the Standard Purchase Terms and Conditions
 - D. the Offer, exhibits, and attachments; within the Offer, drawings (figured dimensions shall govern over scaled dimensions) will take precedence over specifications or scope of work.
17. **Contract Awarding Authority** - a City department authorized to enter into Contracts on behalf of the City.
18. **Contractor/Consultant** - a person, firm or entity that supplies or provides goods and/or services to the City by Contract.
19. **Controlling Interest** means: (1) an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stocks or otherwise that exceeds 10 percent; (2) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or (3) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers.
20. **Deliverables** - the goods, products, materials, and/or services to be provided to the City under a Purchase Order, Contract, or Master Agreement.
21. **Delivery Order** - a release against a Master Agreement authorizing delivery of goods and/or performance of services. A financial system document issued by the Department to encumber funds to pay for the deliverables.
22. **Disadvantaged Business Enterprise** - is defined in 49 Code of Federal Regulation Part 26 or other applicable federal regulations.
23. **Due Date** - the date and time specified for receipt of Bids, Proposals, Qualification Statements, Quotations, Responses, Submittals and Compliance Plans.
24. **Goods** - supplies, materials, or equipment.
25. **Highest Responsible Offer** - the highest Offer meeting all requirements of the specifications, terms, and conditions of the Invitation for Bid-Sale or Request for Quotation-Sale.
26. **Highest Responsible Offeror** - the Offeror submitting the "Highest Responsible Offer."
27. **Interested Party** – a person who has a Controlling Interest in a Business Entity with whom the City contracts or who actively participates in facilitating the Contract or negotiating the terms of the Contract, including a broker, intermediary, adviser, or attorney for the Business Entity.
28. **Invitation for Bid (IFB)** - a Solicitation requesting pricing for a specified Good or Service which has been advertised for Bid in a newspaper and/or on the Internet.
29. **Late Offer** - a Bid, Proposal, Quote, Response, or Submittal that is received after the Due Date and time specified in the Solicitation.
30. **Lowest Responsible Offer** - the Offer meeting all requirements of the specifications, terms, and conditions of the Invitation for Bid or Request for Quotation resulting in the lowest cost to the City in a total cost concept or based solely on price, taking into consideration the financial and practical ability of the Vendor to perform the Contract, past performance of the Vendor, and compliance with all City ordinances concerning the purchasing process.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE DEFINITIONS**

31. **Lowest Responsible Offeror** - the Offeror submitting the Lowest Responsible Offer.
32. **Master Agreement** - a term contract that is used when the total quantity required cannot be definitely fixed, but can be stated as an estimate or within maximum and minimum limits with deliveries on demand. A Master Agreement does not create a financial obligation.
33. **Minority-Owned Business** - is defined in chapter 2-9 of the City Code.
34. **Non-Professional Services** - services performed that are not of a professional nature such as lawn care, security, janitorial, etc.
35. **Offer** - a complete signed response to a Solicitation including, but not limited to, an Invitation for Bid, a Request for Proposal, a Request for Qualification Statements, or a Request for Quotation.
36. **Offeror** - a person, firm, or entity that submits an Offer in response to a City Solicitation. Any Offeror may be represented by an agent after submitting evidence demonstrating the agent's authority. The agent cannot certify as to his own agency status. Includes Bidders, Proposers, Quoters, Contractors and Consultants.
37. **Pre-Bid / Proposal / Quote / Response / Submittal Conference** - a conference conducted by the Contract Awarding Authority, held in order to allow Offerors and Vendors to ask questions about the proposed Contract and particularly the Contract specifications.
38. **Professional Services** - services that use skills that are predominantly mental or intellectual, rather than physical or manual such as accounting, architecture, land surveying, law, medicine, optometry, professional engineering, etc.
39. **Proposal** - a complete, properly signed response to a Request for Proposals, which if accepted, would bind the Proposer to perform the resultant Contract.
40. **Proposal Guaranty** - a form of security assuring that the Proposer (a) will not withdraw the Proposal within the period specified for acceptance, and (b) will execute a Contract and furnish required bonds and any necessary insurance within the time specified in the Solicitation, unless a longer time is allowed by the City. The guarantee will be returned to the Proposer upon execution of a Contract.
41. **Proposer** - a person, firm or entity that submits a Proposal in response to a Request for Proposals. Any Proposer may be represented by an agent after submitting evidence demonstrating the agent's authority. The agent cannot certify as to his own agency status.
42. **Purchase Order (PO)** - an order placed by a City department for the purchase of Goods and/or Services written on the City's standard Purchase Order form and which, when accepted by the Vendor becomes a Contract. The Purchase Order is the Vendor's authority to deliver and invoice the City for Goods and/or Services specified, and the City's commitment to accept the Goods and/or Services for an agreed upon price.
43. **Purchasing Office** - refers to the Purchasing Office in the Financial and Administrative Services Department of the City.
44. **Quote** - a complete, properly signed response to a Request for Quotation, which if accepted, would bind the Offeror to perform the resultant Contract.
45. **Quoter** - a person, firm or entity that submits a Quote in response to a Request for Quotations. Any Quoter may be represented by an agent after submitting evidence demonstrating the agent's authority. The agent cannot certify as to his own agency status.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE DEFINITIONS**

- 46. **Request for Information (RFI)** - a solicitation used to obtain “state of the art” information on goods and/or services for informational purposes only.
- 47. **Request for Interest (RFINT)** - a solicitation used to identify interest in a City requirement.
- 48. **Request for Proposal (RFP)** - a solicitation used to acquire goods and/or services when a clearly defined scope of work or specification is not available.
- 49. **Request for Qualification Statements (RFQS)** - a solicitation used to acquire professional services as defined by the State of Texas Government Code, Chapter 2254.
- 50. **Request for Quotation (RFQ)** - a solicitation used to acquire goods and/or services with a total dollar value less than the State of Texas competitive bidding amount.
- 51. **Resident Bidder** - a person, firm, or entity whose principal place of business is in the State of Texas, including a Contractor whose ultimate parent company or majority owner has its principal place of business in the State of Texas.
- 52. **Response** - a complete signed reply to a Solicitation including, but not limited to a Request for Information and/or a Request for Interest.
- 53. **Response Guaranty** – a form of security assuring that the Offeror (a) will not withdraw the Offer within the period specified for acceptance, and (b) will execute a Contract and furnish required bonds and any necessary insurance within the time specified in the Solicitation, unless a longer time is allowed by the City. The guarantee will be returned to the Offeror upon execution of a Contract.
- 54. **Responsible** - refers to the financial and practical ability of the Offeror to perform the Contract and takes into consideration resources, expertise, and past performance of the Offeror as well as compliance with all City ordinances concerning the purchasing process.
- 55. **Responsive** - meeting all the requirements of a Solicitation.
- 56. **Services** - include all work or labor performed for the City on an independent Contractor basis other than construction.
- 57. **Solicitation** - as applicable, includes Invitation for Bid, Invitation for Bid - Sale, Request for Proposal, Request for Qualification Statements, Request for Quotation, Request for Quotation – Sale, Request for Information, Request for Interest, or such other request as defined by the City.
- 58. **Subcontractor/Subconsultant** - a person, firm, or entity providing goods and/or services to a prime Contractor / Consultant to be used in the performance of the prime Contractor/Consultant’s obligations under a Contract.
- 59. **Sub-Subcontractor/Sub-Subconsultant**- a person, firm or entity providing goods and/or services to a Subcontractor/Subconsultant to be used in the performance of the Subcontractor/Subconsultant’s obligations under a Contract.
- 60. **Unbalanced Offer** - an Offer that is based on prices which are significantly less than cost for some items and significantly more than cost for others.
- 61. **Vendor** - a person, firm, or entity that sells Goods and/or Services.
- 62. **Woman-Owned Business** - is defined in chapter 2-9 of the City Code.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE DEFINITIONS**

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

1. **VENDOR REGISTRATION:** All Vendors, Contractors, Subcontractors, Consultants, and Subconsultants desiring to sell to the City must be registered to do business with the City prior to submitting an Offer to a City solicitation. Prime Contractors/Consultants are responsible for ensuring that their Subcontractors/Subconsultants are registered. Registration can be done through the City's online vendor registration system. [Log onto http://www.austintexas.gov/financeonline/vendor_connection/index.cfm](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm) and follow the directions.
2. **EQUAL OPPORTUNITY:**
 - A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.
 - B. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.
3. **MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE (MBE/WBE) PROCUREMENT PROGRAM:**

All City procurements are subject to the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program found at Chapters 2-9A, 2-9B, 2-9C, and 2-9D of the City Code. The Program provides Minority-Owned and Women-Owned Business Enterprises (MBEs/WBEs) full opportunity to participate in all City contracts. Goals for MBE/WBE participation are stated in each Solicitation and differ from contract to contract based on the type of contract, the availability of MBEs/WBEs to perform the functions of the contract, and other factors. Information on achieving the goals or documenting good faith efforts to achieve the goals are contained in the MBE/WBE Program Package contained in Section 0900 of the Solicitation. When goals are established, Offerors are required to complete and return the MBE/WBE Compliance Plan with their Offer. If no goals are established, Offerors are required to submit the No Goals Utilization Plan. If a Compliance Plan or No Goals Utilization Plan is not submitted prior to the date and time set forth in the Solicitation, the Offer will not be accepted for consideration.
4. **SOLICITATION:**
 - A. **Review of Documents:** Offerors are expected to examine all documents that make up the Solicitation. Offerors shall promptly notify the City of any omission, ambiguity, inconsistency or error that they may discover upon examination of the Solicitation. Offerors must use a complete Solicitation to prepare Offers. The City assumes no responsibility for any errors or misrepresentations that result from the use of incomplete Solicitations.
 - B. **Location of Documents:** Solicitations are issued by the Purchasing Office. The location and phone number for the Purchasing Office are specified in the advertisement and in the Solicitation.
5. **WRITTEN EXPLANATIONS OR CLARIFICATIONS:** Any material information given to one Offeror concerning a Solicitation will be furnished as an Addendum to all Offerors who have been issued a Solicitation. Any explanation, clarification, interpretation or change to the Solicitation made in any other manner is not binding upon the City, and Offerors shall not rely upon such explanation, clarification, interpretation or change. Oral explanations or instructions given before the award of the Contract are not binding. Requests for explanations, clarifications or interpretations may be faxed to the City at (512) 974-2388. The fax must clearly identify the buyer's name and solicitation number.

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

6. **PRE-BID / PROPOSAL / RESPONSE CONFERENCE:** If a Pre-Bid/Proposal/Response conference is mandatory, the time, place and mandatory nature of the conference will be specified on the cover page of the Solicitation. If a Pre-Bid/Proposal/Response Conference is mandatory and is not attended by an Offeror, their Offer will be rejected.
7. **PREPARATION OF OFFERS:**
- A. **Alternate Offers:** Alternate Offers will be rejected unless the Solicitation authorizes the submission of Alternates.
 - B. **Bid Preparation Costs:** All costs associated with preparing a Bid in response to a Solicitation shall be borne by the Bidder.
 - C. **Bid / Proposal / Response Guaranty or Bond:** When required by the Solicitation, an Offer must be accompanied by a Bid/Proposal/Response Guaranty or a Bid / Proposal / Response Bond with Power of Attorney attached, issued by a solvent surety authorized under laws of the State of Texas and acceptable to the City.
 - D. **Brand Name or Equal:** If the Solicitation indicates brand name or "equal" products are acceptable, the Offeror may propose an "equal" product but must be prepared to demonstrate those features that render it equal. Final determination of a product as an "equal" remains with the City.
 - E. **Delivery Time:** Delivery time, if stated as a number of days, will be based on calendar days. Time is of the essence in any City purchase. If the indicated date cannot be met or the date is not indicated, the Offeror shall state its best delivery time.
 - F. **Exceptions:** Exceptions that are taken to any portion of the Solicitation may jeopardize acceptance of the Offer.
 - G. **Free on Board (FOB) Point:** The Offeror should quote its lowest and best price, with the goods delivered to the place specified, at the Offeror's expense and risk, and there tender delivery to the City.
 - H. **Payment:** Payment terms shall be net 30 days.
 - I. **Prices:** Offers shall be firm unless otherwise specified. Pricing shall be entered on the Bid/Quote Sheet (if applicable) in ink. Totals shall be entered in the "Total Price" column of the Bid/Quote Sheet. In the event of a discrepancy between unit price and extended price, the unit price shall govern.
 - J. **Proposal Preparation Costs:** All costs directly or indirectly related to preparation of a Response to an RFP or any oral presentation required to supplement and/or clarify a Proposal which may be required by the City shall be the sole responsibility of the Proposer.
 - K. **Proprietary Information:**
 - i. All material submitted to the City becomes public property and is subject to the Texas Public Information Act, Chapter 552, Texas Government Code, upon receipt.
 - ii. If an Offeror does not desire proprietary information in the Offer to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General.
 - iii. Failure to identify proprietary information will result in all unmarked sections being deemed nonproprietary and available upon public request.
 - iv. For Bids submitted in response to an Invitation for Bids (IFB), the City will not consider any requests to keep the contents of a Bid Sheet Proprietary or Confidential.

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

- L. **Signature:** The Offeror must sign each document in the Solicitation requiring a signature. Any change made to the Offer must be initialed by the Offeror.
- M. **Taxes:** Purchases of Goods or Services for City use are usually exempt from City, State, and most Federal Taxes. Offers should not include exempted taxes. The successful Offeror should request a Tax Exemption Certificate from the Purchasing Office. Under no circumstances shall the City be liable to pay exempt taxes under any Contract.
- N. **Anti-Lobbying and Procurement:** Article 6, Chapter 2-7, City Code, repealed and replaced effective on June 25, 2018, prohibits lobbying activities or representations by Offerors during the No-Lobbying Period.

1. FINDINGS; PURPOSE.

- (A) The council finds that persons who enter a competitive process for a city contract voluntarily agree to abide by the terms of the competitive process, including the provisions of this article.
- (B) The council finds that it is in the City's interest:
- (i) to provide the most fair, equitable, and competitive process possible for selection among potential vendors in order to acquire the best and most competitive goods and services; and
 - (ii) to further compliance with State law procurement requirements.
- (C) The council intends that:
- (i) each response is considered on the same basis as all others; and
 - (ii) respondents have equal access to information regarding a solicitation, and the same opportunity to present information regarding the solicitation for consideration by the City.

2. APPLICABILITY.

- (A) This article applies to all solicitations except:
- (i) City social service funding;
 - (ii) City cultural arts funding;
 - (iii) federal, state or City block grant funding;
 - (iv) the sale or rental of real property;
 - (v) interlocal contracts or agreements; and
 - (vi) solicitations specifically exempted from this article by council.
- (B) Absent an affirmative determination by the council, the purchasing officer has the discretion to apply this article to any other competitive process.
- (C) City Code Section 1-1-99 (*Offenses; General Penalty*) does not apply to this article.

3. DEFINITIONS.

In this article:

- (A) AGENT means a person authorized by a respondent to act for or in place of the respondent in order to communicate on behalf of that respondent. Each of the following is presumed to be an agent:
- (i) a current full-time or part-time employee, owner, director, officer, member, or manager of a respondent;
 - (ii) a person related within the first degree of consanguinity or affinity to a current full-time or part-time employee, owner, director, officer, member, or manager of a respondent;
 - (iii) a person related within the first degree of consanguinity or affinity to the respondent, if a respondent is an individual person; and
 - (iv) a lobbyist, attorney, or other legal representative of the respondent that has been retained by the respondent with respect to the subject matter of either the solicitation or the respondent's response to the solicitation.

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

- (B) AUTHORIZED CONTACT PERSON means a City employee designated in a City solicitation as the point of contact for all purposes for that solicitation.
- (C) CITY EMPLOYEE is defined in Section 2-7-2 (*Definitions*), and further includes an independent contractor hired by the City with respect to the solicitation.
- (D) CITY OFFICIAL is defined in Section 2-7-2 (*Definitions*).
- (E) NO-LOBBYING PERIOD means the period of time beginning at the date and time a solicitation is published and continuing through the earliest of the following:
 - (i) the date the last contract resulting from the solicitation is signed;
 - (ii) 60 days following council authorization of the last contract resulting from the solicitation; or
 - (iii) cancellation of the solicitation by the City
- (F) PURCHASING OFFICER means the City employee authorized to carry out the purchasing and procurement functions and authority of the City.
- (G) RESPONSE means a written offer or submission in reply to a solicitation.
- (H) RESPONDENT means a person or entity that has timely submitted or subsequently timely submits a response to a City solicitation, even if that person subsequently withdraws its response or has been disqualified by the City for any reason. Respondent includes:
 - (i) a subsidiary or parent of a respondent;
 - (ii) a joint enterprise, joint venture, or partnership with an interest in a response and in which a respondent is a member or is otherwise involved, including any partner in such joint enterprise, joint venture, or partnership; and
 - (iii) a subcontractor to a respondent in connection with that respondent's response.
- (I) SOLICITATION means an opportunity to compete to conduct business with the City that requires council approval under City Charter Article VII Section 15 (*Purchase Procedure*), and includes, without limitation:
 - (i) an invitation for bids;
 - (ii) a request for proposals;
 - (iii) a request for qualifications;
 - (iv) a notice of funding availability; and
 - (v) any other competitive solicitation process for which the purchasing officer, in the purchasing officer's sole discretion, affirmatively determines this article should apply in accordance with Section 2-B.

4. RESTRICTION ON LOBBYING.

Subject to the exclusions in Section 5 (*Permitted Communications*), during a no-lobbying period,

- (A) a respondent or an agent shall not communicate directly with a City official or a City employee, or both in order to:
 - (i) provide substantive information about any respondent or response with respect to the solicitation to which the communication relates;
 - (ii) encourage the City to reject one or more of the responses to the solicitation to which the communication relates;
 - (iii) convey a complaint about the solicitation to which the communication relates; or
 - (iv) ask any City official or City employee to favor or oppose, recommend or not recommend, vote for or against, consider or not consider, or take action or refrain from taking action on any vote, decision, or agenda item regarding the solicitation to which the communication relates.
- (B) a City official shall not contact or communicate with a respondent regarding a response or the solicitation to which the no-lobbying period applies;
- (C) a City employee, other than the authorized contact person, shall not contact or communicate with a respondent regarding a response or the solicitation to which the no-lobbying period applies.

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

5. PERMITTED COMMUNICATIONS.

The following communications are permitted under this article at any time:

- (A) any communication between a respondent or agent and any authorized contact person, including, without limitation and in accordance with regulation, any complaint concerning the solicitation;
- (B) any communication between a respondent or agent and any person to the extent the communication relates solely to an existing contract between a respondent and the City, even when the scope, products, or services of the current contract are the same or similar to those contained in an active solicitation;
- (C) any communication between a respondent or an agent and a City employee to the extent the communication relates solely to a non-substantive, procedural matter related to a response or solicitation;
- (D) any communication required by or made during the course of a formal protest hearing related to a solicitation;
- (E) any communication between a respondent or an agent and the City's Small & Minority Business Resources Department, that solely relates to compliance with Chapters 2-9A through 2-9D (*Minority-Owned and Women-Owned Business Enterprise Procurement Program*) of the City Code;
- (F) any communication between an attorney representing a respondent and an attorney authorized to represent the City, to the extent the communication is permitted by the Texas Disciplinary Rules of Professional Conduct;
- (G) any communication made by a respondent or an agent to the applicable governing body during the course of a meeting properly noticed and held under Texas Government Code Chapter 551 (*Open Meetings Act*);
- (H) any communication between a respondent or an agent and a City employee whose official responsibility encompasses the setting of minimum insurance requirements for the solicitation to which the communication relates, to the extent the communication relates solely to the insurance requirements established by the City in the solicitation; and
- (I) any contribution or expenditure as defined in Chapter 2-2 (*Campaign Finance*).

6. MODIFICATION OF RESTRICTION.

The purchasing officer may waive, modify, or reduce the requirements in Section 4 (*Restrictions on Lobbying*) in order to allow respondents to communicate with a City employee or a City official other than the authorized contact person when the purchasing officer determines, in writing, that the solicitation must be conducted in an expedited manner, including but not limited to a solicitation conducted for reasons of health or safety under the shortest schedule possible with no extensions. Any such modification authorized by the purchasing officer shall be stated in the solicitation.

7. NOTICE.

- (A) Each solicitation shall include a notice advising respondents and prospective respondents:
 - (i) of the requirements of this article;
 - (ii) that any communication initiated by a City employee or City official, other than the authorized contact person, during the no-lobbying period regarding a response or the solicitation may result in a violation of Section 4(A) if the respondent subsequently lobbies that City employee or City official.
- (B) The purchasing officer, or a City employee designated by the purchasing officer, shall provide weekly written notice, accessible to all City employees and City officials, of each solicitation for which the no-lobbying period is in effect.

8. DISCLOSURE OF VIOLATION.

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

A City official or a City employee other than the authorized contact person that becomes aware of a violation of Section 4 (*Restrictions on Lobbying*) shall notify the authorized contact person in writing as soon as practicable.

9. ENFORCEMENT.

- (A) A respondent that has been disqualified pursuant to Section 10(A) (*Disqualification; Contract Voidable*) may appeal such disqualification to a subcommittee that is less than a quorum of the Ethics Review Commission established in Chapter 2-7, Article 2 (*Ethics Review Commission*), whose decision on appeal shall be final and binding. Any appeal must be filed in the manner prescribed by the Ethics Review Commission within 5 calendar days of the notice given by the purchasing officer pursuant to Section 10(B).
- (B) The purchasing officer shall waive a violation of Section 4(A) if the violation was solely the result of communications initiated by a City official or a City employee other than the authorized contact person.
- (C) The purchasing officer has the authority to enforce this article through rules promulgated in accordance with Chapter 1-2 (*Adoption of Rules*), which at a minimum shall include a notice and protest process for respondents disqualified pursuant to Section 10 (*Disqualification; Contract Voidable*), including:
 - (1) written notice of the disqualification imposed pursuant to Section 10 (*Disqualification; Contract Voidable*);
 - (2) written notice of the right to protest the disqualification imposed; and
 - (3) written notice of the right to request an impartial hearing process.

10. DISQUALIFICATION; CONTRACT VOIDABLE.

- (A) If the purchasing officer finds that a respondent has violated Section 2-7-104(1), the respondent is disqualified from participating in the solicitation to which the violation related.
- (B) The purchasing officer shall promptly provide written notice of disqualification to a disqualified respondent.
- (C) If a respondent is disqualified from participating in a solicitation as a result of violating Section 2-7-104(1) and the solicitation is cancelled for any reason, that respondent is also disqualified from submitting a response to any reissue of the same or similar solicitation for the same or similar project. For the purposes of this section, the purchasing officer may determine whether any particular solicitation constitutes a "same or similar solicitation for the same or similar project".
- (D) If a respondent violates Section 104(1) and is awarded a contract resulting from the solicitation to which the violation relates, the City may void that contract.
- (E) Respondents that violate Section 2-7-104(1) three or more times during a five year period may be subject to debarment from participating in any new contracts with the City for a period of up to three years.

8. SUBMISSION OF OFFERS: Offerors are required to submit an executed original and copies of the Offer as specified on the Offer Sheet of the Solicitation.

- A. **Documents required with Offer:** Submit the following documents with the Offer, as applicable, prior to the Due Date (**SEE SECTIONS 0400, 0500 and 0600 IN THE SOLICITATION FOR ADDITIONAL REQUIRED INFORMATION**). Failure to submit the documents may be grounds to reject the Offer:
 - i. Cover Page, Offer Sheet signed by an authorized representative; ii.
 - Section 0600, Bid/Quote Sheet or Offer, as applicable; iii.
 - Section 0605, Local Business Presence Identification, if applicable;
 - iv. Section 0700, Reference Sheet, as applicable ;
 - v. Sections 0835 – Non-Resident Bidder Provisions;

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

- vi. 0815, Living Wage and Benefits Contractor Certification, if applicable;
- vii. Section 0900, MBE/WBE Procurement Program Package;
- viii. Bid/Proposal Guaranty, if applicable; and ix.. any other document included in the Solicitation requiring completion or execution by the Offeror.

All other pages in the Solicitation should be retained by the Offeror.

- B. **Mailing:** Offers and Compliance Plans (when required by the Solicitation), must be returned in a sealed envelope or container marked on the outside with the:

**Offeror's Name & Address
Solicitation Number
Due Date and Time**

- i. If a MBE/WBE Compliance Plan is required, it may be submitted with the sealed Offer or in a separate sealed envelope. If the Compliance Plan is included with the Offer, the outside of the envelope must indicate that the Compliance Plan is included. If the Compliance Plan is submitted in a separate envelope, the outside of the envelope must identify the contents as the "Compliance Plan" and must also include the Offeror's name & address, the Solicitation number, and the Due Date and Time. If a Compliance Plan is required but is not submitted prior to the time set forth in the Solicitation, the Offer will not be accepted for consideration.
- ii. When sending an Offer and/or Compliance Plan, use the proper address as shown below:

| Address for US Mail (Only) | Address for Fedex, UPS, Hand Delivery or Courier Service |
|--|---|
| City of Austin | City of Austin, Municipal Building |
| Purchasing Office-Response Enclosed for Solicitation # | Purchasing Office-Response Enclosed for Solicitation # |
| P.O. Box 1088 | 124 W 8 th Street, Rm 310 |
| Austin, Texas 78767-8845 | Austin, Texas 78701 |
| | Reception Phone: (512) 974-2500 |

Note: Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

- iii. Unless authorized in the Solicitation, email, facsimile, or electronic Offers will not be accepted.
- C. **Addendum:** Receipt of an Addendum should be acknowledged by signing and returning the Addendum with the Offer or under separate cover prior to the Due Date. The Addendum should be returned with the Offeror's name, address, the Solicitation number, and the Due Date and Time. If the elements covered in the addendum directly impact cost and the addendum is not returned before the Due Date and Time, the offer will be disqualified.
- D. **Acceptance of Offers:** Offers must be received and time stamped at the receptionist's desk in the Purchasing Office prior to the Due Date and Time. The time stamp clock on the receptionist's desk in the Purchasing Office is the official time of record and is verified daily with the local time service at (512) 476-7744. It is the sole responsibility of the Offeror to ensure timely delivery of the Offer. The City will not be responsible for failure of service on the part of the U.S. Postal Office, courier companies, or any other form of delivery service chosen by the Offeror.

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

- E. **Late Offers:** All Offers received after the Due Date and Time are considered late and will be returned to the Offeror. It is the responsibility of the Offeror to ensure that their Offer arrives at the proper location by the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. Late Offers will be rejected unless the Purchasing Office, at its sole discretion, determines that the City's misdirection or mishandling was the sole or main cause for the Offer's late receipt at the designated location.
- F. **Rejection of Offers:** The City reserves the right to reject any or all Offers and to waive any minor informality in any Offer or solicitation procedure (a minor informality is one that does not affect the competitiveness of the Offer).

9. **MODIFICATION OR WITHDRAWAL OF OFFERS:**

- A. **Modification of Offers:** Offers may be modified in writing at any time prior to the Due Date.
- B. **Withdrawal of Offers:** Offers may be withdrawn in writing, by email, or by facsimile (provided that the facsimile is signed by the Offeror) at any time prior to the Due Date. An Offeror may also withdraw an Offer in person, provided the withdrawal is made prior to the Due Date. A receipt of withdrawal must be signed by the Offeror. Withdrawn Offers may be resubmitted, with or without modifications, up to the Due Date.

10. **OPENING OF BIDS:** The Purchasing Office representative responsible for opening Bids shall confirm the time and announce the Bid opening. The representative shall then personally and publicly open all Bids timely received, reading each Bid aloud. Following the Bid opening, the City will post on the City's website the Bid Sheets from all timely received Bids.

11. **OPENING OF PROPOSALS / QUALIFICATIONS STATEMENTS AND RELEASE OF INFORMATION:** Proposals / Qualifications Statements will be opened in a manner that avoids disclosure of the contents. Following the Opening of Proposals / Qualification Statements, the City will post on the City's website the names of all Offerors submitting Proposals / Qualification Statements. At its sole discretion, the City may release to the public information that is contained in an opened Proposals / Qualifications Statement after City staff review, except as prescribed by State law, including Texas Government Code Chapter 552 and Local Government Code Chapter 252, provided that the City determines that the disclosure will not create a competitive disadvantage for the City.

12. **EVALUATION FACTORS AND AWARD FOR QUOTES AND BIDS:**

- A. **Evaluation:** Offerors may furnish pricing for all or any portion of the Solicitation (unless otherwise specified). However, the City may evaluate and award the Contract for any item or group of items shown on the Solicitation, or any combination deemed most advantageous to the City. Offers that specify an "all or none" award may be considered if a single award is advantageous. An Offer containing prices significantly lower than all other Offeror's prices for an item will present a rebuttable presumption of irresponsibility.
- B. **Award:** Request for Quotations and Invitations for Bids will be awarded to the Lowest Responsible Offeror. Invitation for Bids – Best Value will be awarded to the offeror who provides goods or services at the best value for the City based on factors outlined in Section 0600. Request for Quotations – Sale and Invitation for Bids – Sale will be awarded to the Highest Responsible Offeror.
- C. **Local Business Presence:** A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

- (1) For Invitations for Bids if the City receives a competitive sealed bid from an offeror who has Local Business Presences and whose bid is within three percent of the lowest bid price received from an offeror who does not have Local Business Presence, the City may enter into a contract with the local vendor.
- (2) For Request for Proposals and Invitation For Bids-Best Value: Points will be awarded through a combination of the Offeror's Local Business Presence and/or the Local Business Presence of their subcontractors per the below evaluation criteria. Evaluation of the Team's Percentage of Local Business Presence will be based on the dollar amount of goods and/or services as reflected in the Offeror's MBE/WBE Compliance Plan or MBE/WBE Utilization Plan. For Local Business Presence to be considered a completed Section 0605 must be returned with the Offer.

LOCAL BUSINESS PRESENCE (Maximum 10 points)

| Team's Local Business Presence | Points Awarded |
|--|----------------|
| Local business presence of 90% to 100% | 10 |
| Local business presence of 75% to 89% | 8 |
| Local business presence of 50% to 74% | 6 |
| Local business presence of 25% to 49% | 4 |
| Local presence of between 1 and 24% | 2 |
| No local presence | 0 |

- D. **Acceptance of Quote/Bid:** Acceptance of a Quote/Bid for an open market purchase or supply or service Master Agreement will be by a Purchase Order or a Contract as appropriate. Subsequent Delivery Orders may be issued as appropriate. The contents of a Quote/Bid shall become a part of the Purchase Order/Contract. Under no circumstances will the City be responsible for Goods or Services provided without an acceptance signed by or authorized by an Authorized City Representative.

13. EVALUATION FACTORS AND AWARD FOR PROPOSALS AND RESPONSES:

Competitive Selection: This procurement will comply with applicable City of Austin Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Section 0600 of the Solicitation shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the successful Proposer. Award of a contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

14. RESERVATIONS: The City expressly reserves the right to:

- A. specify approximate quantities in the Solicitation;
- B. extend the Solicitation closing date and time;
- C. waive as an informality, minor deviations from specifications provided they do not affect competition or result in functionally unacceptable Goods or Services;
- D. waive any minor informality in any Offer or Solicitation procedure (a minor informality is one that does not affect the competitiveness of the Offeror);
- E. add additional terms or modify existing terms in the Solicitation;
- F. reject an Offer containing exceptions, additions, qualifications or conditions not called for in the solicitation;
- G. reject an Offer received from an Offeror who is currently debarred or suspended by the City or State;

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

- H. reject an Offer received from an Offeror who is currently debarred or suspended by the Federal Government (Applicable if project receives Federal funding);
 - I. reject an Offer that contains fraudulent information;
 - J. reject an Offer that has material omissions;
 - K. reject or cancel any or all Offers;
 - L. reissue a Solicitation;
 - M. procure any item by other means;
 - N. consider and accept alternate Offers, if specified in the Solicitation, when most advantageous to the City; and/or
 - O. reject an Offer because of unbalanced unit prices;
15. **NEGOTIATIONS OF PROPOSALS:** The City reserves the right to negotiate all elements which comprise the Offeror's Proposal to ensure that the best possible consideration be afforded to all concerned.
16. **CONTRACT INCORPORATION:** Offeror should be aware that the contents of the successful Offer will become a part of the subsequent contractual documents. Failure of the successful Offeror to accept this obligation may result in the cancellation of any award. Any damages accruing to the City as a result of the successful Offeror's failure to contract may be recovered from the successful Offeror.
17. **OPPORTUNITY TO PROTEST:** The Purchasing Officer has the authority to settle or resolve any claim of an alleged deficiency or protest. The procedures for notifying the City of Austin of an alleged deficiency or filing a protest are listed below. If you fail to comply with any of these requirements, the Purchasing Officer may dismiss your complaint or protest.
- A. **Prior to Offer Due Date:** If you are a prospective Offeror and you become aware of the facts regarding what you believe is a deficiency in the solicitation process before the Due Date for receipt of Offers, you must notify the City in writing of the alleged deficiency before that date, giving the City an opportunity to resolve the situation prior to the Offer Due Date.
 - B. **After Offer Due Date:** If you submit an Offer to the City and you believe that there has been a deficiency in the solicitation process or the award, you have the opportunity to protest the solicitation process or the recommended award as follows:
 - i. You must file written notice of your intent to protest within four (4) calendar days of the date that you know or should have known of the facts relating to the protest. If you do not file a written notice of intent within this time, you have waived all rights to protest the solicitation process or the award.
 - ii. You must file your written protest within fourteen (14) calendar days of the date that you know or should have known of the facts relating to the protest unless you know of the facts before the Offer has been closed. If you know of the facts before those dates, you must notify the City as stated above.
 - iii. You must submit your protest in writing and must include the following information:
 - (1) your name, address, telephone, and fax number;
 - (2) the solicitation number and the CIP number, if applicable;
 - (3) a detailed statement of the factual grounds for the protest, including copies of any relevant documents.
 - iv. Your protest must be concise and presented logically and factually to help with the City's review.
 - v. When the City receives a timely written protest, the Purchasing Officer will determine whether the grounds for your protest are sufficient. If the Purchasing Officer decides that the grounds are sufficient, the Purchasing Office will schedule a protest hearing, usually within five (5) working days. If the Purchasing Officer determines that your grounds are insufficient, the City will notify you of that decision in writing.
 - vi. The protest hearing is informal and is not subject to the Open Meetings Act. The purpose of the hearing is to give you a chance to present your case, it is not an adversarial proceeding. Those who may attend from the City are: representatives from the department that requested the

**CITY OF AUSTIN
PURCHASING OFFICE
SOLICITATION INSTRUCTIONS V2 JUNE 26, 2018**

purchase, the Department of Law, the Purchasing Office, and other appropriate City staff. You may bring a representative or anyone else that will present information to support the factual grounds for your protest with you to the hearing.

- vii. A decision will usually be made within fifteen (15) calendar days after the hearing.
- viii. The City will send you a copy of the hearing decision after the appropriate City staff has reviewed the decision.
- ix. When a protest is filed, the City usually will not make an award until a decision on the protest is made. However, the City will not delay an award if the City Manager or the Purchasing Officer determines that:
 - (1) the City urgently requires the supplies or services to be purchased, or
 - (2) failure to make an award promptly will unduly delay delivery or performance.In those instances, the City will notify you and make every effort to resolve your protest before the award.

18. INTERESTED PARTIES DISCLOSURE

As a condition to entering the Contract, the Business Entity constituting the Offeror must provide the following disclosure of Interested Parties to the City prior to the award of a contract with the City on Form 1295 "Certificate of Interested Parties" as prescribed by the Texas Ethics Commission for any contract award requiring council authorization. The Certificate of Interested Parties Form must be completed on the Texas Ethics Commission website, printed, and signed by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury. The City will submit the "Certificate of Interested Parties" to the Texas Ethics Commission within 30 days of receipt from the successful Offeror. The Offeror is reminded that the provisions of Local Government Code 176, regarding conflicts of interest between the bidders and local officials remains in place. Link to Texas Ethics Commission Form 1295 process and procedures below:

<https://www.ethics.state.tx.us/File/>

19. POST OFFER DOCUMENTS REQUIRED FROM SUCCESSFUL OFFEROR:

- A. **Letters of Intent:** When a MBE/WBE Compliance Plan is required, the successful Offeror must submit to the Purchasing Officer the Letters of Intent to subcontract required by the Compliance Plan within three (3) business days after notification. Failure to submit the required letters will be grounds for rejection of the Offer.
- B. **Certificates of Insurance:** When insurance is required, the Offeror must provide proof of coverage prior to execution of a Contract. The Offeror shall provide Certificates of Insurance in the amounts and for the coverages required to the Purchasing Office within 14 calendar days after written request from the City (See also "Insurance" in Section 0400, Supplement Purchase Provisions, of the Solicitation).
- C. **Bonds:** When Bonds are required, the Offeror must provide the bonds prior to the execution of the Contract. The Offeror shall provide the Bonds, in the amounts and on the conditions required, within 14 calendar days after notification of award, or as otherwise required by the Solicitation.
- D. **Chapter 176 Conflict of Interest Disclosure:** In accordance with Chapter 176 of the Texas Local Government Code, Offeror must file a Conflict of Interest Questionnaire with the Office of the City Clerk no later than 5:00 P.M. on the seventh (7th) business day after the commencement of contract discussions or negotiations with the City or the submission of an Offer, or other writing related to a potential Contract with the City. The questionnaire is available on line at the following website for the City Clerk:

<http://www.austintexas.gov/department/conflict-interest-questionnaire>

There are statutory penalties for failure to comply with Chapter 176.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS**. The Contractor shall fully and timely provide all Deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM**. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES**: The Contractor will package Deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED**: The Contractor is not authorized to ship the Deliverables under reservation and no tender of a bill of lading will operate as a tender of Deliverables.
5. **TITLE & RISK OF LOSS**: Title to and risk of loss of the Deliverables shall pass to the City only when the City actually receives and accepts the Deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES**: Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the Deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION**: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the Deliverables at delivery before accepting them, and to reject defective or non-conforming Deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the Deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER**: Every tender or delivery of Deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK**: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

10. WORKFORCE

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
 - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
 - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

- 11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

12. INVOICES:

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and Deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

13. **PAYMENT:**

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the Deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
 - i. delivery of defective or non-conforming Deliverables by the Contractor;
 - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
 - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
 - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
 - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
 - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
 - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

14. **TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

15. FINAL PAYMENT AND CLOSE-OUT:

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
 - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
 - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT: If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. AUDITS and RECORDS:

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. Records Retention:
 - i. Contractor is subject to City Code chapter 2-11 (Records Management), and as it may subsequently be amended. For purposes of this subsection, a Record means all books, accounts, reports, files, and other data recorded or created by a Contractor in fulfillment of the Contract whether in digital or physical format, except a record specifically relating to the Contractor's internal administration.
 - ii. All Records are the property of the City. The Contractor may not dispose of or destroy a Record without City authorization and shall deliver the Records, in all requested formats and media, along with all finding aids and metadata, to the City at no cost when requested by the City
 - iii. The Contractor shall retain all Records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer.
- C. The Contractor shall include sections A and B above in all subcontractor agreements entered into in connection with this Contract.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

18. **Financial Disclosures and Assurances:** The City may request and review financial information as the City requires to determine the credit worthiness of the Contractor, including but not limited to, annual reports, audited financial statements and reports, bank letters of credit or other credit instruments. Failure of the Contractor to comply with this requirement shall be grounds for terminating the Contract.
19. **SUBCONTRACTORS:**
- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective Deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.
 - B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
 - i. require that all Deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
 - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
 - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
 - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
 - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
 - C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
 - D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.
20. **WARRANTY-PRICE:**
- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
 - B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
20. **WARRANTY – TITLE:** The Contractor warrants that it has good and indefeasible title to all Deliverables furnished under the Contract, and that the Deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the Deliverables.
21. **WARRANTY – DELIVERABLES:** The Contractor warrants and represents that all Deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the Deliverables shall be new or recycled merchandise, and not used or reconditioned.
- A. Recycled Deliverables shall be clearly identified as such.
- B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
- C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the Deliverables or from the date of acceptance of any replacement Deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming Deliverables, or replace the non-conforming Deliverables with fully conforming Deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
- D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming Deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of Deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming Deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such Deliverables from another source.
- E. If the Contractor is not the manufacturer, and the Deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.
22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.
- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
- B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.

- C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.
23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.
24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

30. **DELAYS:**

A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 48. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.

B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. **INDEMNITY:**

A. Definitions:

i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:

- (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
- (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),

ii. "Fault" shall include the sale of defective or non-conforming Deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

B. **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

32. **INSURANCE:** (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised March 2013).

A. **General Requirements.**

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- B. Specific Coverage Requirements: Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions
33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2nd Street, 4th Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.
34. **NOTICES:** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.
35. **TEXAS PUBLIC INFORMATION ACT:**
- A. All material submitted by the Contractor to the City related to the Contract shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
- B. In accordance with Texas Government Code Sec. 552.372, if this Contract has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by the City or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by the City in a fiscal year, Contractor agrees to:
- i. Preserve all contracting information related to the Contract as provided by the records retention requirements in Section 17 (Audits and Records) of the Contract;
 - ii. Promptly provide to the City any contracting information related to the Contract that is in the custody or possession of Contractor on request of the City; and
 - iii. On completion of the Contract, either:
 - (1) Provide at no cost to the City all contracting information related to the Contract that is in the custody or possession of Contractor; or
 - (2) Preserve the contracting information related to the Contract as provided by the records retention requirements in Section 17 (Audits and Records) of the Contract.
- C. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Contract, and the Contractor agrees that the Contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that Subchapter.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS:** The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the Deliverables and (ii) the Deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the Deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the Deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the Deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such Deliverables will not impact such warranties of Contractor.

37. **CONFIDENTIALITY:** In order to provide the Deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **PUBLICATIONS:** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.
39. **ADVERTISING:** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
40. **NO CONTINGENT FEES:** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
41. **GRATUITIES:** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
42. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.

43. **INDEPENDENT CONTRACTOR:** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
44. **ASSIGNMENT-DELEGATION:** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
45. **WAIVER:** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
46. **MODIFICATIONS:** The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
47. **INTERPRETATION:** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.
48. **DISPUTE RESOLUTION:**
- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

49. **JURISDICTION AND VENUE:** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.
50. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.
51. **HOLIDAYS:** The following holidays are observed by the City:

| <u>Holiday</u> | <u>Date Observed</u> |
|------------------------------------|-----------------------------|
| New Year's Day | January 1 |
| Martin Luther King, Jr.'s Birthday | Third Monday in January |
| President's Day | Third Monday in February |
| Memorial Day | Last Monday in May |
| Independence Day | July 4 |
| Labor Day | First Monday in September |
| Veteran's Day | November 11 |
| Thanksgiving Day | Fourth Thursday in November |
| Friday after Thanksgiving | Friday after Thanksgiving |
| Christmas Eve | December 24 |
| Christmas Day | December 25 |

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

52. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.
53. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

54. **EQUAL OPPORTUNITY**

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.
- B. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

55. **BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)**

- A. Definitions. As used in this paragraph –
- i. "Component" means an article, material, or supply incorporated directly into an end product.
 - ii. "Cost of components" means -
 - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
 - (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.
 - iii. "Domestic end product" means-
 - (1) An unmanufactured end product mined or produced in the United States; or
 - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.
 - iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
 - v. "Foreign end product" means an end product other than a domestic end product.
 - vi. "United States" means the 50 States, the District of Columbia, and outlying areas.
- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.

- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

56. PROHIBITION OF BOYCOTT ISRAEL VERIFICATION

Pursuant to Texas Government Code §2270.002, the City is prohibited from contracting with any "company" for goods or services unless the following verification is included in this **Contract**.

- A. For the purposes of this Section only, the terms "company" and "boycott Israel" have the meaning assigned by Texas Government Code §2270.001.
- B. If the **Principal Artist** qualifies as a "company", then the **Principal Artist** verifies that he:
- i. does not "boycott Israel"; and
 - ii. will not "boycott Israel" during the term of this **Contract**.
- C. The **Principal Artist's** obligations under this Section, if any exist, will automatically cease or be reduced to the extent that the requirements of Texas Government Code Chapter 2270 are subsequently repealed, reduced, or declared unenforceable or invalid in whole or in part by any court or tribunal of competent jurisdiction or by the Texas Attorney General, without any further impact on the validity or continuity of this Contract.

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS**

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office by two weeks prior to the offer closing date by 1:00 PM CST. Any requests should be emailed to jo.gutierrez@austintexas.gov.

2. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767

OR

PURInsuranceCompliance@austintexas.gov

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
 - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
 - (1) The policy shall contain the following provisions:
 - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
 - (b) Contractor/Subcontracted Work.
 - (c) Products/Completed Operations Liability for the duration of the warranty period.

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS**

- (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
 - (2) The policy shall also include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
 - iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
 - (1) The policy shall include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
- C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.
3. **TERM OF CONTRACT:**
- A. The Contract shall commence upon execution, unless otherwise specified, and shall remain in effect for an initial term of 24 months. The Contract may be extended beyond the initial term for up to three (3) additional 12 month periods at the City's sole option. If the City exercises any extension option, all terms, conditions, and provisions of the Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under the Contract.
 - B. Upon expiration of the initial term or any period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary for the City to re-solicit and/or complete the deliverables due under this Contract. Any hold over period will not exceed 120 calendar days unless mutually agreed on by both parties in writing.
 - C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above. A price increase, subject to the provisions of this Contract, may be requested by the Contractor (for each period of extension) for approval by the City's Purchasing Officer or his designee.
4. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)
- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

| | |
|------------|---|
| | City of Austin |
| Department | Financial Service Department, Treasury Office |

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS**

| | |
|----------------------|------------------------------|
| Attn: | Gail Ray |
| Address | 919 Congress Ave, Suite 1250 |
| City, State Zip Code | Austin, TX 78701 |

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.
- C. Partial payment is not authorized in this Contract, the Contractor will be paid for services after each audit is completed per Section 0500, Scope of Work.

5. WORKFORCE SECURITY CLEARANCE AND IDENTIFICATION (ID):

- A. Access to the City Department building by the Contractor, all subcontractors and their employees will be strictly controlled at all times by the City. Security badges will be issued by the Department for this purpose. The Contractor shall submit a complete list of all persons requiring access to the City building at least thirty (30) days in advance of their need for access. The City reserves the right to deny a security badge to any Contractor personnel for reasonable cause. The City will notify the Contractor of any such denial no more than twenty (20) days after receipt of the Contractor's submittal.
- B. Where denial of access by a particular person may cause the Contractor to be unable to perform any portion of the work of the contract, the Contractor shall so notify the City's Contract Manager, in writing, within ten (10) days of the receipt of notification of denial.
- C. Contractor personnel will be required to check in at the security desk when entering or leaving the City building and security badges must be on display at all times when in the building. Failure to do so may be cause for removal of Contractor Personnel from the worksite, without regard to Contractor's schedule. Security badges may not be removed from the premises.
- D. The Contractor shall provide the City's Contract Manager with a list of personnel scheduled to enter the building, seven days in advance. The list shall identify the persons by name, date of birth, driver's license number, the times that they will be inside the building and the areas where they will be working. Only persons previously approved by the City for the issuance of security badges will be admitted to the building.
- E. The Contractor shall comply with all other security requirements imposed by the City and shall ensure that all employees and subcontractors are kept fully informed as to these requirements.

6. OWNERSHIP AND USE OF DELIVERABLES: The City shall own all rights, titles, and interests throughout the world in and to the Deliverables.

- A. **Patents:** As to any patentable subject matter contained in the Deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by the City, to the City upon request by the City.
- B. **Copyrights:** As to any Deliverable containing copyrighted subject matter, the Contractor agrees that upon their creation, such Deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such Deliverables, provided however, that nothing

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS**

in this Paragraph 36 shall negate the City's sole or joint ownership of any such Deliverables arising by virtue of the City's sole or joint authorship of such Deliverables. Should by operation of law, such Deliverables not be considered work made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of Austin) all worldwide right, title, and interest in and to such Deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such Deliverables to the City or at such other time as the City may request.

- C. **Additional Assignments:** The Contractor further agrees to, and if applicable, cause each of its employees to execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns, and nominees, the sole and exclusive right, title, and interest in and to the Deliverables, The Contractor's obligations to execute acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 36 A., B., and C. shall continue after the termination of this Contract with respect to such Deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the Deliverables, but should arise to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph above.

7. **CONTRACT MANAGER:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Gail Ray, Financial Manager

Gail.Ray@austintexas.gov

512-974-7884

CITY OF AUSTIN
SECTION 0500: SCOPE OF WORK
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL
SUMMARIES
RFQS 7400 JOG4000

1.0 Purpose

The City of Austin Deferred Compensation Committee (the “Committee”) is requesting responses from Certified Public Accountant (“CPA”) firms that have extensive experience in providing audit services for 457(b) Deferred Compensation Retirement Plans, or similar plans. A description of the Committee, the services needed, and other pertinent information follows.

2.0 Background

In 1981, the Austin City Council established a 457(b) Deferred Compensation Plan (“Plan”) for City of Austin employees, designating the City’s Chief Financial Officer (“CFO”) as Plan Administrator with oversight by the Deferred Compensation Committee (“Committee”). The Committee consists of nine members, six of whom are actively deferring funds and elected by all participants in the plan, one retired participant elected by all participants in the Plan, the CFO or designee, and the Director of Human Resources or designee.

The City is currently under contract with Great West Life & Annuity Insurance Company (doing business as “Empower” Retirement) for record keeping and communication services in support of the 457(b) Deferred Compensation Plan. In addition to statements and newsletters, Empower provides local representatives to assist participants and potential participants with information. Participants can also access support by calling Empower headquarters staff or by viewing information online at www.dcaustin.com. Empower provides a routine service review to the Deferred Compensation Committee that contains a participant activity report, telephone/internet statistics, local office activities, and asset/contribution data by fund.

The Deferred Compensation Committee oversees the investments offered under the Plan with assistance from an independent investment consultant. Plan design highlights are included in Attachment A - Plan Highlights 2020 document.

As of plan year end, December 31, 2019, the Plan assets exceeded \$536 million, approximately 17,000 employees were eligible to participate, nearly 8,000 employees were actively participating, and nearly 12,000 participants had an account balance in the Plan. Additionally, there were over 4,000 outstanding loans with a total outstanding loan balance of over \$24.4 million.

The City of Austin employees are paid through one centralized payroll system and payroll is run bi-weekly for a total of either 26 or 27 pay periods per year. Employees can contribute to the Plan only through payroll deductions, either pre-tax (“traditional”) contributions or post-tax (“Roth”) contributions. Employees can pay towards their Plan loans either directly to Empower or through payroll deductions. Participants that have separated from City employment but kept their retirement funds in the Plan can no longer contribute to the Plan, but they can make new loans or payoff existing loans in the Plan directly with Empower.

CITY OF AUSTIN
SECTION 0500: SCOPE OF WORK
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL
SUMMARIES
RFQS 7400 JOG4000

3.0 Contractor's Minimum Qualifications

The CPA firm shall have a minimum of three (3) recent years of continuous experience prior to this solicitation, performing auditing services for 457(b) Plans. The City reserves the right to review the CPA firm's experience as part of the evaluation process.

4.0 Project Information

An audit of the City of Austin Deferred Compensation Plan Financial Summaries is conducted annually. The objective of the audit is to ensure accurate financial reporting of the Plan's activity during the specified time period. The Committee seeks to obtain the technical and professional expertise, knowledge, and resources of a qualified firm to compile a report and present the audit findings to the CFO and the Committee upon completion.

4.1 Engagement Type: Audit

4.2 Applicable Standards: All services provided under this Contract shall be in accordance with Generally Accepted Auditing Standards (GAAS) as set forth by the American Institute of Certified Public Accountants (AICPA).

4.3 Timeframe:

4.3.1 The resulting contract from this solicitation will include an initial contracting period for plan year audits 2019 and 2020, plus three (3) contract extension options for plan year audits 2021, 2022 and 2023.

4.3.2 The plan year audit 2019 will begin within one (1) month from contract award. Going forward, each annual audit will begin within five (5) months after calendar year end.

4.3.2 The final report deliverable is anticipated to be due to the Committee by December each year.

4.4 Deliverables:

4.4.1 The Auditor will provide an Engagement Letter which defines the terms and conditions of the engagement.

4.4.2 Within one (1) month of receiving signed Engagement Letter, Auditor will provide the City's Contract Manager a "Prepared By Client" (PBC) audit request list and any other documentation that may be required to perform the audit. The list should include expected due dates for the required documents.

4.4.3 The Auditor shall submit the final report with any findings based on the work performed and provide the final report to the CFO and the Committee. The Auditor's final report shall include:

CITY OF AUSTIN
SECTION 0500: SCOPE OF WORK
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL
SUMMARIES
RFQS 7400 JOG4000

- 4.4.3.1 The purpose, scope, and the results of the audit.
- 4.4.3.2 Auditor's report on the fair presentation of the Plan's financial statements.
- 4.4.3.3 Letter of Conduct of the audit containing required Auditor communications.
- 4.4.3.4 If deemed necessary, the auditor shall prepare a Management Letter, if a reportable condition is identified. The letter shall communicate to the CFO and the Committee any reportable conditions (i.e. significant deficiency or material weakness). The letter shall contain the responses from the Plan's record keeper.
- 4.4.3.5 Prior to issuance, the Auditor shall review the draft financial statements and if needed, management letter, in its entirety with the City's Contract Manager or designee. Subsequent to issuance, the Auditor shall review the final letter with the CFO and the Committee.
- 4.4.3.6 Prepare and deliver to the City's Contract Manager or designee twelve (12) bound copies and via e-mail in PDF format.
- 4.4.4 Provide a brief presentation at a Committee meeting after the report's release.

5.0 Contractor Responsibilities

- 5.1 Following execution of the Contract, the Auditor may be asked to attend an initial Contract Kick-off meeting with City staff. The City shall have the sole discretion in determining whether or not a meeting is necessary.
- 5.2 Conduct a Kick-off meeting with City staff as required.
 - 5.2.1 The meeting shall be held within one (1) month of Contract award unless, otherwise approved in advance by the City's Contract Manager or designee.
 - 5.2.2 Purpose of the meeting is to obtain background information and further define audit goals, objective, identifying auditing logistics, scheduling, report distribution requirements, and to determine key contact personnel.
- 5.3 Contractor shall provide progress updates to the City's Contract Manager or designee as requested.
- 5.4 Participate in emails, phone calls and meetings concerning the audit activities.
- 5.5 Assist in responding to audit questions received.

CITY OF AUSTIN
SECTION 0500: SCOPE OF WORK
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL
SUMMARIES
RFQS 7400 JOG4000

- 5.6 Advice or presentation relating to regulation changes in the industry.
- 5.7 If applicable, the Auditor shall review previous original audit reports, findings, recommendations, and any audit responses.
- 5.8 Immediately report, via email or phone, to the City's Contract Manager or designee any issues in obtaining the required information needed to complete the services based upon the agreed upon timelines.
- 5.9 The Auditor shall retain records relevant to the work performed under this Contract for seven (7) calendar years. Records to be retained include, Auditors work papers, documents that contain conclusions, opinions, analyses, financial data related the audit or review, documents related to the agreed-upon procedures, and documents relevant to other services performed under this Contract.
- 5.10 The Auditor's personnel assigned to this Contract may be changed at the discretion of the Auditor, provided that replacements have substantially the same or better qualifications or experience. The Auditor shall coordinate with the City's Contract Manager or designee to establish a plan for transitioning work to Auditor's replacement personnel.
- 5.11 The Contractor shall provide a Contract Manager who shall oversee the contract. The Contractor shall provide contact information for the Contract Manager and for an alternate contact person who shall be available by telephone between 8:00 a.m. and 5:00 p.m. Central Time, Monday through Friday. The City reserves the right to request a change in Contract Manager.

6.0 Compensation/Fees for Services

Actual fees for the services will be submitted and negotiated after a Contractor has been selected based upon their demonstrated competence and qualifications.

7.0 Changes in Standards During Contract

During the term of the Contract and Extension Options, it is to be expected that the City and/or the City's Contractor shall implement any applicable new statements or auditing standards as they are issued. If any new statement or new standard (accounting or auditing), either individually or in combination with other such new requirements, has a material impact on the Auditor, the Auditor will notify the City's Contract Manager or designee and work to resolve the issue in a manner agreeable to both parties. The term "material impact" shall be limited to a percentage increase to the Auditor's total estimated hours and negotiated as part of the executed Contract.

**CITY OF AUSTIN
SECTION 0500: SCOPE OF WORK
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL
SUMMARIES
RFQS 7400 JOG4000**

8.0 City's Responsibilities

- 8.1 Prior to approval of the Engagement Letter, the City will review the Engagement Letter to ensure there is no conflict with the Terms and Conditions of this Contract.
- 8.2 The City and the Plan's record keeper will make available to the Auditor all relevant documents, reports, and Contracts needed for the Auditor to complete requested services.
- 8.3 Upon written request by the Auditor, the City may grant time extensions to complete work performed under this contract to the extent of any delays caused by the City or the Plan's record keeper with whom the work must be coordinated and over whom the Auditor has no control. However, an extension shall only be granted under the condition that the Auditor can provide sufficient documentation for its attempts to coordinate the work to be performed with whom the Auditor has no control.

9.0 Omissions

Any services that have been omitted from this scope of work which are clearly necessary or in conformance shall be considered a requirement although not directly specified or called for in the scope of work.

Section 0510: Exceptions Checklist

Solicitation Number: RFQS 7400 JOG4000 Audit Of The City Of Austin Deferred Compensation Plan Financial Summaries

The City will presume that the Offeror is in agreement with all sections of the solicitation unless the Offeror takes specific exception as indicated below. Complete the exception information indicating each exception taken, provide alternative language, and justify the alternative language. The City, at its sole discretion, may negotiate exceptions that do not result in material deviations from the sections contained in the solicitation documents. Material deviations as determined by the City may result in the City deeming the Offer non-responsive. The Offeror that is awarded the contract shall be required to sign the contract with the provisions accepted or negotiated.

Place this attachment in Tab 1 of your offer. Copies of this form may be utilized if additional pages are needed.

Indicate:

- ☐ **0300 Standard Purchase Terms & Conditions**
- ☐ **0400 Supplemental Purchase Provisions**
- ☐ **0500 Scope of Work**

Page Number

Section Number

Section Description

Alternative Language:

Justification:

**CITY OF AUSTIN
PURCHASING OFFICE
QUALIFICATION STATEMENT PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFQS 7400 JOG4000
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES**

1. SUBMITTAL FORMAT:

Submit one original paper copy and an electronic copy of the original response in PDF version on a flash drive. The original response shall contain ink signatures and shall be typed on standard 8 ½" X 11" paper, double-sided, and have consecutively numbered pages.

The response itself shall be organized in the following format and informational sequence. Use tabs to divide each part of the response and include a Table of Contents:

| |
|------------------|
| Section I |
|------------------|

Tab 1 – City of Austin Purchasing Office Documents – Complete and submit the following documents in Tab 1:

- A. Signed Offer Sheet
- B. Section 0510 Exceptions Checklist
- C. Section 0700 Reference Sheet
- D. Section 0800 Non-Discrimination and Non-Retaliation Certification
- E. Section 0900 Subcontracting/Sub-consulting Utilization Form
- F. Section 0905 Subcontracting/Sub-consulting Utilization Plan
- G. If issued, all signed Addendums (all pages)

Exceptions: Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the response. If any exceptions are taken by a Respondent to any term or condition of this Solicitation, the Respondent must clearly indicate each specific exception taken, include a full explanation of the reason for said exception, and include any proposed language for any alternative term as a separate attachment to the response, stating clearly in writing that the Respondent's Contract or Legal staff have reviewed and proposed all such terms in the Respondent's exceptions. The failure to identify exceptions or proposed changes with a full explanation and substitute language shall constitute acceptance by the Respondent of the Solicitation as proposed by the City. The City reserves the right to reject a response containing exceptions, additions, qualifications or conditions not called for in the Solicitation.

Compensation: Actual fees for services will be submitted and negotiated after a Contractor has been selected based on their demonstrated competence and qualifications. The total Contract amount, including both the initial contracting period and all contract extensions, shall not exceed \$110,000.

Tab 2 – Authorized Negotiator: Provide name, mailing address, email address, and telephone number of the officer or other representative in your organization authorized to negotiate and execute binding contract terms.

Tab 3 – Executive Summary: In no more than three pages, provide an Executive Summary in brief, concise terms of your qualifications related to this RFQS. Include the number of years your organization has been in business, a summary of your organization's history, ownership structure, lines of business and experience, and how your organization is the most qualified to carry out the Scope of Work (reference Section 0500) within the time period provided.

Tab 4 – References: Provide a list of three (3) current or previous references, preferably public entities, with which your firm has provided similar 457(b) plan audit services to those described in the Scope of Work. All reference information shall be documented and verifiable. Reference contacts must be aware that they are being used as a reference and agreeable to City interview for follow-up. Each reference shall include the following:

**CITY OF AUSTIN
PURCHASING OFFICE
QUALIFICATION STATEMENT PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFQS 7400 JOG4000
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES**

- Organization
- Organization contract manager name and title, phone number, and email address
- Detail of the work completed for the organization
- Year contract was awarded, length of contract, annual, and total value of contract

Tab 5 – Personnel Qualifications & Demonstrated Applicable Experience: Clearly demonstrate, in detail, the personnel assigned to this contract the experience and certifications required of the Scope of Work as stated in the solicitation.

- Your firm's experience in similar 457(b) Deferred Compensation Retirement Plans audits
- Steps your organization takes to ensure that your auditing practices are administered in compliance with various government regulations
- Identify the CPAs and other staff who will be assigned to the contract and indicate whether each such person is licensed by the American Institute of Certified Public Accountants.
- Include a sample list of client provided schedules or other documents required by your firm to perform the audit.
- Provide a list of record keepers and payroll providers your firm has worked with during the last three (3) years.
- Provide biographies specifying relevant experience to the type of services requested, including number of years of experience, information on relevant continuing professional-education, membership(s) of professional organizations, resumes, CVs, and licenses.
- State the primary work assigned to each person and the percentage of time each person will devote to this work. Indicate which personnel have prior experience similar in scope to this solicitation.
- Provide an explanation of the team structure; include an organizational chart, a brief narrative of activities, the roles and responsibilities, project leadership, and reporting responsibilities.
- Provide any additional information that you believe would be useful in evaluating your response.

Tab 6 – Company Experience - Include the following:

- The size of organization
- Number of years the firm has been in business
- Provide your Clients to Auditor ratio
- Describe how your company will keep the City informed of changing audit requirements including Audit Standards updates.
- If your firm is a member of AICPA, provide the most recent peer review letter from AICPA.

| |
|-------------------|
| Section II |
|-------------------|

Acceptance Period: All responses are valid for a period of one hundred and eighty (180) calendar days subsequent to the RFQS closing date unless a longer acceptance period is offered in the response.

Proprietary or Confidential Information: All material submitted to the City becomes public property and is subject to Texas Open Records Act upon receipt. If a respondent does not desire proprietary or confidential information in the submission to be disclosed, each page must be identified and marked proprietary or confidential at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary or confidential information will result in all unmarked sections being deemed non-proprietary or non-confidential and available upon public request.

**CITY OF AUSTIN
PURCHASING OFFICE
QUALIFICATION STATEMENT PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFQS 7400 JOG4000
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES**

Preparation Costs: All costs directly or indirectly related to preparation of a response to the RFQS or any oral presentation required to supplement and/or clarify an offer which may be required by the City shall be the sole responsibility of the Offeror.

Compliance: The Offeror agrees to compliance with terms of this RFQS and with all applicable rules and regulations of Federal, State, and Local governing entities.

| |
|--------------------|
| Section III |
|--------------------|

EVALUATION FACTORS AND AWARD:

A. Competitive Selection: This procurement will comply with applicable City Policy. The most qualified Offeror will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph B below shall be applied to all eligible, responsive Offerors in comparing responses and selecting the most qualified Offeror. Award of a Contract may be made without discussion with Offerors after submissions are received. Responses should, therefore, be submitted on the most favorable terms.

B. Evaluation Factors: All responses will be evaluated based on the following criteria and rankings.
Maximum 100 points.

- 1. Personnel Qualifications & Demonstrated Applicable Experience** – reference Section I, Tab 5 **(60 points)**
- 2. Company Experience** – reference Section I, Tabs 6 **(30 points)**
- 3. Reference Checks** - reference Section I, Tab 4 **(10 points)**

Presentations, Demonstrations Optional. The City will score submissions on the basis of the criteria listed above. The City may select a "short list" of Offerors based on those scores. "Short-listed" Offerors may be invited for presentations or demonstrations with the City. The City reserves the right to re-score "short-listed" submissions as a result, and to make award recommendations on that basis.

Section 0700: Reference Sheet

Responding Company Name _____

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name _____

Name and Title of Contact _____

Project Name _____

Present Address _____

City, State, Zip Code _____

Telephone Number (____) _____ Fax Number (____) _____

Email Address _____

2. Company's Name _____

Name and Title of Contact _____

Project Name _____

Present Address _____

City, State, Zip Code _____

Telephone Number (____) _____ Fax Number (____) _____

Email Address _____

3. Company's Name _____

Name and Title of Contact _____

Project Name _____

Present Address _____

City, State, Zip Code _____

Telephone Number (____) _____ Fax Number (____) _____

Email Address _____

City of Austin, Texas
Section 0800
NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION

City of Austin, Texas

Equal Employment/Fair Housing Office

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this _____ day of _____, _____

| | |
|----------------------|-------|
| CONTRACTOR | _____ |
| Authorized Signature | _____ |
| Title | _____ |

Section 0900: SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM**

Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

Instructions:

- a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.
b.) Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☐ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**

Instructions: Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**

Instructions: Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

| Offeror Information | | | |
|--|--|---------------|--|
| Company Name | | | |
| City Vendor ID Code | | | |
| Physical Address | | | |
| City, State Zip | | | |
| Phone Number | | Email Address | |
| Is the Offeror City of Austin M/WBE certified? | <div style="display: flex; align-items: center;"><div style="margin-right: 20px;"><input type="checkbox"/> NO</div><div><input type="checkbox"/> YES Indicate one: <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture</div></div> | | |
| <p>Offeror Certification: I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed Subcontracting/Sub-Consulting Utilization Form, and if applicable my completed Subcontracting/Sub-Consulting Utilization Plan, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the Request For Change form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my Subcontracting/Sub-Consulting Utilization Plan, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my Request for Change form. I understand that, if a Subcontractor is not listed in my Subcontracting/Sub-Consulting Utilization Plan, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my Request for Change form.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="width: 45%; border-top: 1px solid black; height: 20px;"></div><div style="width: 45%; border-top: 1px solid black; height: 20px;"></div></div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"><div style="width: 45%;">Name and Title of Authorized Representative (Print or Type)</div><div style="width: 45%;">Signature/Date</div></div> | | | |

Section 0905: SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan**

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

INSTRUCTIONS: Offerors who DO intend to use Subcontractors may utilize M/WBE Subcontractor(s) or perform Good Faith efforts when retaining Non-certified Subcontractor(s). Offerors must determine which type of Subcontractor(s) they are anticipating to use (CERTIFIED OR NON-CERTIFIED), check the box of their applicable decision, and comply with the additional instructions associated with that particular selection.

- ☐ I intend to use City of Austin CERTIFIED M/WBE Subcontractor/Sub-consultant(s).

Instructions: Offerors may use Subcontractor(s) that ARE City of Austin certified M/WBE firms. Offerors shall contact SMBR (512-974-7600 or SMBRComplianceDocuments@austintexas.gov) to confirm if the Offeror's intended Subcontractor(s) are City of Austin certified M/WBE and if these firm(s) are certified to provide the goods and services the Offeror intends to subcontract. If the Offeror's Subcontractor(s) are current valid certified City of Austin M/WBE firms, the Offeror shall insert the name(s) of their Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)

- ☐ I intend to use NON-CERTIFIED Subcontractor/Sub-Consultant(s) after performing Good Faith Efforts.

Instructions: Offerors may use Subcontractors that ARE NOT City of Austin certified M/WBE firms ONLY after Offerors have first demonstrated Good Faith Efforts to provide subcontracting opportunities to City of Austin M/WBE firms.

STEP ONE: Contact SMBR for an availability list for the scope(s) of work you wish to subcontract;

STEP TWO: Perform Good Faith Efforts (Check List provided below);

STEP THREE: Offerors shall insert the name(s) of their certified or non-certified Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)
- All required documentation demonstrating the Offeror's performance of Good Faith Efforts (see Check List below)

GOOD FAITH EFFORTS CHECK LIST –

When using NON-CERTIFIED Subcontractor/Sub-consultants(s), **ALL** of the following CHECK BOXES **MUST** be completed in order to meet and comply with the Good Faith Effort requirements and all documentation must be included in your sealed Offer. Documentation CANNOT be added or changed after submission of the bid.

- ☐ **Contact SMBR.** Offerors shall contact SMBR (512-974-7600 or SMBRComplianceDocuments@austintexas.gov) to obtain a list of City of Austin certified M/WBE firms that are certified to provide the goods and services the Offeror intends to subcontract out. (Availability List). Offerors shall document their contact(s) with SMBR in the "SMBR Contact Information" table on the following page.
- ☐ **Contact M/WBE firms.** Offerors shall contact all of the M/WBE firms on the Availability List with a Significant Local Business Presence which is the Austin Metropolitan Statistical Area, to provide information on the proposed goods and services proposed to be subcontracted and give the Subcontractor the opportunity to respond on their interest to bid on the proposed scope of work. When making the contacts, Offerors shall use at least two (2) of the following communication methods: email, fax, US mail or phone. Offerors shall give the contacted M/WBE firms at least seven days to respond with their interest. Offerors shall document all evidence of their contact(s) including: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)

PROCUREMENT PROGRAM

Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

- ☐ **Follow up with responding M/WBE firms.** Offeror shall follow up with all M/WBE firms that respond to the Offeror's request. Offerors shall provide written evidence of their contact(s): emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.
- ☐ **Advertise.** Offerors shall place an advertisement of the subcontracting opportunity in a local publication (i.e. newspaper, minority or women organizations, or electronic/social media). Offerors shall include a copy of their advertisement, including the name of the local publication and the date the advertisement was published.
- ☐ **Use a Community Organization.** Offerors shall solicit the services of a community organization(s); minority persons/women contractors'/trade group(s); local, state, and federal minority persons/women business assistance office(s); and other organizations to help solicit M/WBE firms. Offerors shall provide written evidence of their Proof of contact(s) include: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, organization contacted, phone number, email address and contact person.

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan**

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

(Offerors may duplicate this page to add additional Subcontractors as needed)

| Subcontractor/Sub-consultant | |
|---|--|
| City of Austin Certified | <input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED |
| Company Name | |
| Vendor ID Code | |
| Contact Person | Phone Number: |
| Additional Contact Info | Fax Number: E-mail: |
| Amount of Subcontract | \$ |
| List commodity codes & description of services | |
| Justification for not utilizing a certified MBE/WBE | |

| Subcontractor/Sub-consultant | |
|---|--|
| City of Austin Certified | <input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED |
| Company Name | |
| Vendor ID Code | |
| Contact Person | Phone Number: |
| Additional Contact Info | Fax Number: E-mail: |
| Amount of Subcontract | \$ |
| List commodity codes & description of services | |
| Justification for not utilizing a certified MBE/WBE | |

| SMBR Contact Information | | | |
|--------------------------|--------------|---|--------------------|
| SMBR Contact Name | Contact Date | Means of Contact | Reason for Contact |
| | | <input type="checkbox"/> Phone OR <input type="checkbox"/> Email | |

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the Offeror ☐ HAS or ☐ HAS NOT complied with these instructions and City Code Chapters 2-9A/B/C/D, as amended.

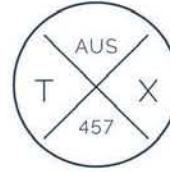
Reviewing Counselor

Date

I have reviewed the completing the Subcontracting/Sub-Consultant Utilization Plan and ☐ Concur ☐ Do Not Concur with the Reviewing Counselor's recommendation.

Director/Assistant Director or Designee

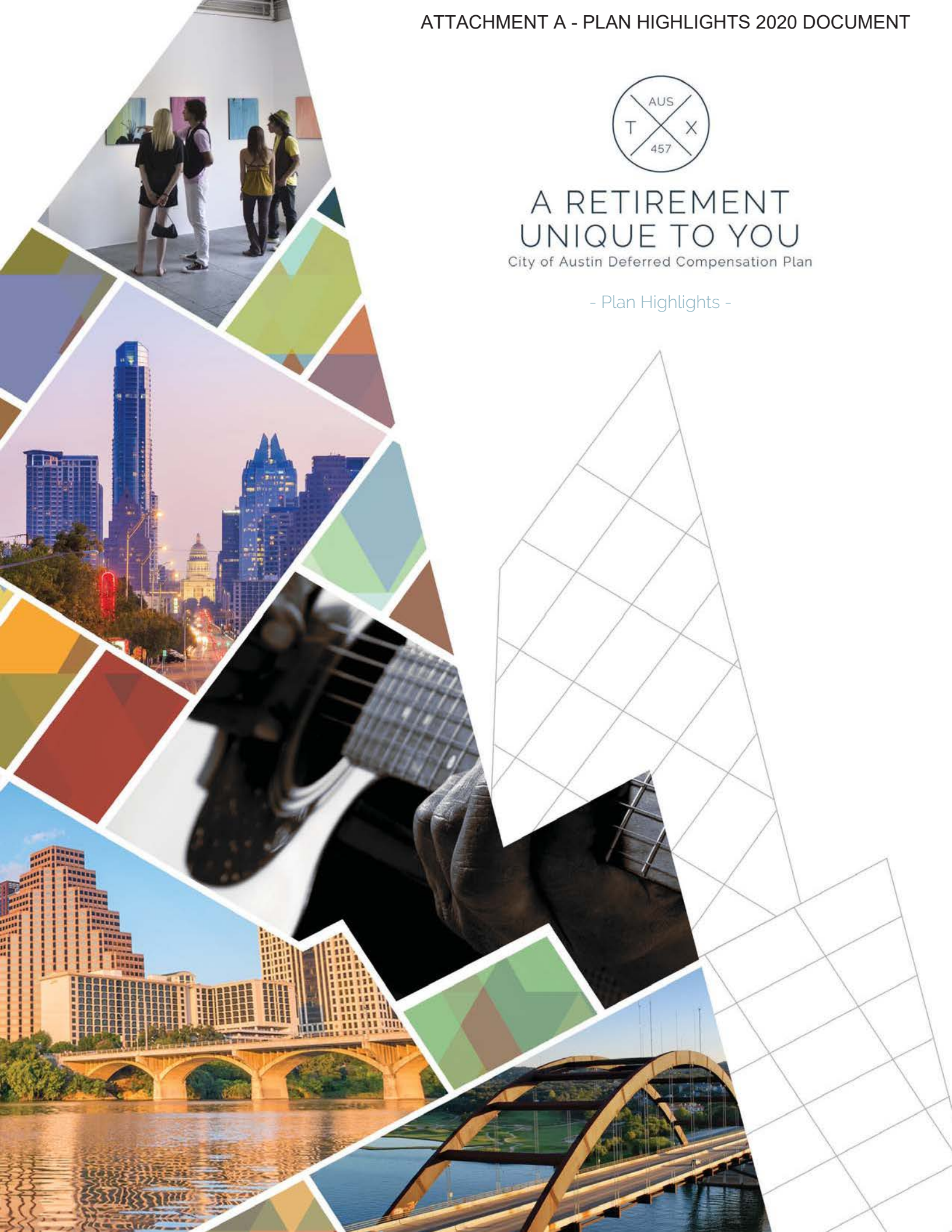
Date



A RETIREMENT UNIQUE TO YOU

City of Austin Deferred Compensation Plan

- Plan Highlights -



The City of Austin Deferred Compensation Plan



A RETIREMENT
UNIQUE TO YOU

is a powerful tool to help you plan a future that is unique for your retirement. As a supplement to other retirement benefits or savings that you may have, this voluntary plan allows you to save and invest extra money for retirement — before taxes or after taxes!

With the City of Austin Deferred Compensation Plan, you will be able to save and invest consistently and automatically, choose from a variety of investment options, and learn more about saving and investing for your financial future. Read these highlights to learn more about your plan and how simple it is to enroll.

Getting started

What is a 457 deferred compensation before-tax plan and a Roth after-tax plan?

A governmental 457(b) deferred compensation plan (457 plan*) is a retirement savings plan that allows eligible employees to supplement any existing retirement/pension benefits by saving and investing before-tax dollars through voluntary salary deferral. The after-tax Roth option gives you the flexibility to designate all or part of your 457(b) elective deferrals as Roth after-tax contributions.

With the before-tax plan, contributions and any earnings are tax deferred until money is withdrawn, usually at retirement when a participant is typically receiving less income and is in a lower federal income tax bracket than while working. Conversely, all Roth contributions are made with after-tax dollars. After-tax dollars mean you pay taxes now rather than when you take a qualified distribution. This can be beneficial if you end up being in a higher tax bracket at retirement. Please keep in mind that you will not have withdrawal access to your retirement savings in the plan while employed by the City.

* All references to the 457 plan are to a governmental 457(b) plan.

Why should I participate in the plan?

You may want to participate if you are interested in saving and investing additional money for retirement and/or reducing the amount of federal income taxes you pay each year. The City of Austin Deferred Compensation Plan can be an excellent tool to help you prepare for your future.

Is there any reason why I should not participate in the plan?

Participating may not be advantageous if you are experiencing financial difficulties, have excessive debt or do not have an adequate emergency fund (typically three to six months of income in an easy-to-access account).

Does participation in the plan affect my pension or reduce my City pension/retirement benefits?

No. The plan is a supplementary plan that does not replace or reduce your City retirement benefits.

Who is eligible to enroll?

Enrollment eligibility is based on the Plan Document. The City of Austin Plan Document states any full-time, part-time, seasonal and temporary employees and any elected or appointed officials are eligible to enroll.

How do I enroll?

Complete an Enrollment form or visit the website at www.dcaustin.com to enroll online. You will need to indicate the amount you wish to contribute and select your investment option(s), as well as fill out a Beneficiary Designation form.

What is the contribution amount?

In 2020, the minimum contribution amount for the before-tax and Roth after-tax plans is \$10 per paycheck or 1% of pay. The maximum you may contribute is up to 70% of your includible income per year, or \$19,500, whichever is less. Please note that the maximum limit of \$19,500 only applies to participants under the age of 50, and it applies to all sources of combined contributions (i.e., before-tax and Roth after-tax contributions).

Generally, the maximum contribution amount then may be indexed for inflation in subsequent years.

You also have two different opportunities to catch up and contribute more during the final years of your career. These two catch-up features may not be used in the same calendar year:

- The Standard Catch-Up provision allows participants to contribute more in the three years prior to normal retirement age. You may contribute up to double the normal limit (\$39,000 in 2020). This limit is subject to the amounts you were allowed to contribute in previous years but did not.
- The Age 50+ Catch-Up allows participants age 50 and older to contribute an additional \$6,500 in 2020.

What are my investment option choices?

You can choose from a diverse array of investment options broken down into three categories: Do It For Me, Do It Together, Do It Myself.

- **Do It For Me – Target date funds:**¹ Target date funds offer a single solution to investing and asset allocation and are chosen based on your expected retirement date.

The date in a target date fund's name represents an approximate date when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including on the target date. For more information, please refer to the fund prospectus and/or disclosure document. A target date fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date (which is the assumed retirement date for an investor).

- **Do It Together – Seven core funds:** Create your own fund mix from seven core funds with guidance from the plan to help you meet your retirement goals. Be sure to consider your time horizon and risk tolerance prior to investing.
 - » Austin Stable Value Fund²
 - » Metropolitan West Total Return Bond Plan³
 - » Vanguard Institutional Index I
 - » Vanguard Mid Cap Index Ins⁴
 - » Vanguard Small Cap Index Instl⁴
 - » MFS International Diversification Fund Class R6⁵
 - » DFA Real Estate Securities I⁶

What are my investment option choices? (continued)

- **Do It Myself – Schwab self-directed brokerage account (SDBA):**
 - » Additional fees may apply to participate in the Personal Choice Retirement Account® (PCRA) option. The PCRA option is offered by Charles Schwab. Only publicly traded mutual funds are offered through the PCRA option. Additional information can be obtained by calling Charles Schwab at 888-393-7272.
 - » The SDBA is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA.

Additional investment option information is available via the website at www.dcaustin.com or the toll-free voice response system at **866-613-6189**.

Carefully consider the investment option's objectives, risks, fees and expenses. Contact us for a prospectus, summary prospectus or disclosure document containing this information. Read each carefully before investing. For prospectuses related to investments in your self-directed brokerage account (SDBA), contact your SDBA provider. Read them carefully before investing.

Managing your account

How do I keep track of my account?

Empower Retirement will mail or electronically send you a quarterly account statement showing your account balance and activity. You can also review your account by logging on to the website at www.dcaustin.com or by calling the voice response system toll free at **866-613-6189**.

You will receive a separate statement from Charles Schwab for your self-directed brokerage account that will detail the investment holdings and activity within your SDBA, including any fees and charges imposed in connection with the SDBA.

How do I make investment option changes?

You can make changes to your investment options online at www.dcaustin.com or through the voice response system toll free at **866-613-6189**.

You can:

- Move all or a portion of your existing balances among investment options (subject to plan rules).
- Change how your payroll contributions are invested.

How do I change my deferral?

You can change your deferral and request future dated deferral changes to your plan based on your pay date via the website at www.dcaustin.com or the voice response system toll free at **866-613-6189**.

Rollovers/transfers

May I roll over my account from my former employer's plan?

Yes. Plan-approved balances from 457(b), 403(b), 401(k) or 401(a) plans or IRAs may be rolled over to the City of Austin Deferred Compensation Plan's before-tax and Roth after-tax plans. Money from other types of plans or accounts that are rolled over into a governmental 457 plan may still be subject to the 10% federal early withdrawal penalty upon distribution from the 457 account prior to the investor reaching age 59½. You are encouraged to discuss rolling money from one account to another with your financial advisor/planner and to consider any potential fees and/or limitations of available investment options.

May I roll over my account if I leave employment with my current employer?

If you leave employment with your current employer, you may roll over your account balance to a governmental 457(b), 403(b), 401(k) or 401(a) plan if your new employer accepts this type of rollover. You may also roll your account balance over to an IRA.

Although greater portability among retirement plans may be a convenience, think carefully about the possible tax consequences of moving account balances. Please keep in mind that if you roll over your 457 plan balance to a 403(b), 401(k) or 401(a) plan or an IRA, withdrawals of funds at severance of employment before age 59½ will become subject to the 10% federal tax penalty upon distribution from the non-457 account. Please contact the local office for more information.

May I purchase service credit for my defined benefit plan?

You may purchase service credit for prior years of service or Supplementary Service Credit within your current defined benefit plan by transferring all or some of your 457 account balance on a before-tax basis. Please note you may not purchase service credit with money from your Roth after-tax account. Contact your retirement system to see if you qualify. *Please note that you may not purchase service credit with money from your Roth 457 after-tax account.*

Vesting

When am I vested in the plan?

Vesting refers to the percentage of your account you are entitled to receive upon distribution from the plan. Your contributions (including transfers from previous employers) to the plan and any earnings they generate are always 100% vested.

Loans

May I take a loan from my account?

Current and former employees are allowed to borrow the lesser of \$50,000 or 50% of your total account balance. The minimum loan amount is \$1,000, and you are allowed a maximum of two outstanding loans at any one time. You have up to five years to repay a general purpose loan and up to 15 years if the loan is used to purchase your primary residence. Loan payments are made through payroll deductions. There is a \$50 origination fee for each loan, deducted from the proceeds of the loan, and also an annual maintenance fee of \$25 that is deducted at \$6.25 per quarter from your account. Please note: If you default on a loan — meaning you do not make your regularly scheduled payments — you will not be able to obtain another loan in the future. For more detailed information about loans, please contact the local office or access the website at www.dcaustin.com.

Withdrawals

When can I withdraw money from my account?

You may withdraw only when you:

- Retire.
- Terminate employment (as defined by Internal Revenue Code provisions).
- Suffer a financial hardship (as defined by the Internal Revenue Code).
- Die (your beneficiary receives your benefits).
- Reach age 70½, even if you are still employed.

Taxes on withdrawals

Before-tax withdrawals are subject to ordinary income tax. Withdrawals of after-tax contributions and any earnings are not subject to ordinary income tax provided that the distribution occurs after age 59½, death or disability and at least five years after your first Roth contribution.

What are my distribution options?

You may leave the value of your account in the plan until you reach age 70½.

You may receive:

- A lump-sum distribution.
- A partial lump-sum distribution with the remainder received as periodic or annuity payments.
- Periodic payments.
- Annuity payments.

You may also transfer or roll over to another 457 plan; to a 403(b), 401(k) or 401(a) plan if allowed by your new employer; or to an IRA.

What happens to my money when I die?

Your designated beneficiary(ies) will receive the remaining value of your account, if any. Your beneficiary(ies) must contact the local office to apply for a distribution.

Taxes

How does my participation in the plan affect my taxes?

If your contributions are taken out of your paycheck before taxes are calculated, you lower your taxable income. You do not report any earnings from your account on your current income taxes, either. Your account is tax deferred until you withdraw money, usually at retirement. You may also be eligible for a federal tax credit by contributing to this plan. Call the local office for more information about this tax credit.

Withdrawals from the before-tax plan are taxable as ordinary income during the years in which they are distributed or made available to you or to your beneficiary(ies).

If you want to pay taxes now rather than when you take a distribution, you can choose the Roth after-tax contribution. With the Roth after-tax contribution option, you pay taxes on the money when it is contributed. The Roth contribution option lets you essentially lock in today's tax rate on your contributions. This can be beneficial if you end up being in a higher tax bracket at retirement.

Fees

What fees do I pay to participate in the plan?

Recordkeeping and administrative – There is an annual recordkeeping fee of 0.0425% of your account balance to participate in the plan. This fee is calculated and deducted from your account monthly.

Investment management – Each investment option has an investment management fee (also known as an expense ratio) that varies by investment option. These fees are deducted by each investment option's management company (not by the plan or Empower) before the daily price or performance is calculated. Investment management fees pay for trading and other management expenses. You can find your plan's investment option expense ratios on the website at www.dcaustin.com, via the voice response system toll free at **866-613-6189**, in your plan's performance report or in each fund's prospectus.

Funds may impose fees on certain transfers, redemptions or exchanges if assets are held for less than the period stated in the fund's prospectus. For more information, please refer to the fund's prospectus.

Charles Schwab PCRA – You may choose to participate in the Charles Schwab PCRA option. The annual fee is \$50 and will be deducted from your account quarterly approximately one week prior to quarter-end (\$12.50 per quarter). Additional transaction fees also apply. For more information on the PCRA option, visit the website at www.dcaustin.com and click on the *Investing* menu link.

How do I get more information?

Visit the website at www.dcaustin.com or call the voice response system toll free at **866-613-6189**. The website has information regarding the plan, investment options and financial education information, as well as tools and services to help you manage your account.

Call or visit your local office at:

400 W. 15th St. Suite 317

Austin, TX 78701

Local phone: **512-457-9240**; toll free: **866-613-6189**

Fax: **877-358-0960**

Email: dcaustin@empower-retirement.com

Office hours: 8:30 a.m. to 4:30 p.m. Central time, Monday to Friday; parking validated.

Austin representatives will also be providing group meetings and seminars around the City and will be available to answer your plan-related questions.

1 Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

2 The Austin Stable Value Fund is a guaranteed separate account group annuity contract offered by Great-West Life & Annuity Insurance Company that guarantees principal and credited interest for eligible participant-initiated withdrawals and transfers. The guarantee associated with this product is backed by the general assets of the insurer. The strength of the guarantee is dependent on the financial strength of the insurance company issuing the contract. Guaranteed separate account products have interest rate, inflation and credit risks associated with the underlying assets owned by the fund. Depending on the terms of the contract, there are also investment risks associated with certain plan sponsor actions, including, but not limited to, termination of the contract, mass layoffs or plan termination, that could result in payment of proceeds to the plan sponsor of the lesser of the fund's market value and principal plus credited interest. For more information, please contact Empower Retirement or refer to the contract.

3 A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.

4 Equity securities of small and mid-size companies may be more volatile than securities of larger, more established companies.

5 Foreign investments involve special risks, including currency fluctuations, taxation differences and political developments.

6 Real estate securities involve greater risks than other non-diversified investments, including but not limited to: declining property values, varying economic conditions, changes in zoning laws, or losses from casualty. Real estate securities that invest in foreign real estate involve additional risk, including currency fluctuations and political developments.

7 Transfer requests received on business days prior to close of the New York Stock Exchange (4 p.m. Eastern time or earlier on some holidays or in other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.

Securities offered by GWFS Equities, Inc., Member FINRA/SIPC, marketed under the Empower brand. GWFS is affiliated with Great-West Funds, Inc.: Great-West Trust Company, LLC; and registered investment advisers Advised Assets Group, LLC and Great-West Capital Management, LLC, marketed under the Great-West Investments™ brand. This material has been prepared for informational and educational purposes only and is not intended to provide investment, legal or tax advice. Core investment options are offered through a group fixed and variable deferred annuity issued by GWL&A; mutual funds, separately managed accounts, and/or collective trust funds. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative services. Securities available through Schwab Personal Choice Retirement Account® (PCRA) are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling (888) 393-7272. Charles Schwab & Co., Inc. and GWFS Equities, Inc. are separate and unaffiliated. ©2019 Great-West Life & Annuity Insurance Company. All rights reserved. 98752-01-FBK-WF-110177-1219 (286895) RO1035728-1219



CITY OF AUSTIN, TEXAS
Purchasing Office
REQUEST FOR QUALIFICATION STATEMENTS (RFQS)
OFFER SHEET

SOLICITATION NO: RFQS 7400 JOG4000

DATE ISSUED: March 16, 2020

REQUISITION NO.: RQM 7400 20030300388

COMMODITY CODE: 94620, 91804

**FOR CONTRACTUAL AND TECHNICAL
ISSUES CONTACT THE FOLLOWING
AUTHORIZED CONTACT PERSON:**

Jo Gutierrez
Procurement Specialist III

Phone: (512) 974-2827

E-Mail: jo.gutierrez@austintexas.gov

COMMODITY/SERVICE DESCRIPTION: Audit Of The City
Of Austin Deferred Compensation Plan Financial Summaries

PRE-RESPONSE CONFERENCE TIME AND DATE: N/A

RESPONSES DUE PRIOR TO: April 14, 2020, 2:00 PM, Central
Time

RESPONSE OPENING TIME AND DATE: April 14, 2020,
3:00 PM, Central Time

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701

LIVE SOLICITATION OPENING ONLINE: For RFQS's, only the
names of respondents will be read aloud

For information on how to attend the Solicitation Closing online,
please select this link:

<http://www.austintexas.gov/departments/bid-opening-webinars>

When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:

| Address for US Mail (Only) | Address for FedEx, UPS, Hand Delivery or Courier Service |
|--|--|
| City of Austin | City of Austin, Municipal Building |
| Purchasing Office-Response Enclosed for Solicitation # RFQS 7400 JOG4000 | Purchasing Office-Response Enclosed for Solicitation # RFQS 7400 JOG4000 |
| P.O. Box 1088 | 124 W 8 th Street, Rm 310 |
| Austin, Texas 78767-8845 | Austin, Texas 78701 |
| | Reception Phone: (512) 974-2500 |

NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY (USB FLASH DRIVE) OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

| SECTION NO. | TITLE | PAGES |
|--------------|---|-------|
| 0100 | STANDARD PURCHASE DEFINITIONS | 5 |
| 0200 V2 | STANDARD SOLICITATION INSTRUCTIONS, UPDATED JUNE 26, 2018 | 11 |
| 0300 | STANDARD PURCHASE TERMS AND CONDITIONS | 15 |
| 0400 | SUPPLEMENTAL PURCHASE PROVISIONS | 4 |
| 0500 | SCOPE OF WORK | 5 |
| 0510 | EXCEPTIONS CHECKLIST | 1 |
| 0600 | RESPONSE PREPARATION INSTRUCTIONS & EVALUATION FACTORS | 3 |
| 0700 | REFERENCE SHEET – Complete and return if required | 2 |
| 0800 | NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION–Complete and return | 2 |
| 0805 | NON-SUSPENSION OR DEBARMENT CERTIFICATION | * |
| 0810 V2 | NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION, UPDATED JUNE 26, 2018 | * |
| 0900 | SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM – Complete & return | 1 |
| 0905 | SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN – Complete and return if applicable | 3 |
| ATTACHMENT A | PLAN HIGHLIGHTS 2020 DOCUMENT | 4 |

***Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the * Sections are available on the Internet at the following online address:**

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: McConnell & Jones LLP


Company Address: 4828 Loop Central Drive, Ste 1000

City, State, Zip: Houston, Texas 77081

Vendor Registration No. VS0000023550

Printed Name of Officer or Authorized Representative: 2020

Title: Partner

Signature of Officer or Authorized Representative: Partner 

Date: 4/21/2020

Email Address: EErnest@mjlm.com

Phone Number: 713-968-1631

*** Qualifications Statement must be submitted with this signed Offer sheet to be considered for award**

City of Austin, Texas
Section 0800
NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION

City of Austin, Texas

Equal Employment/Fair Housing Office

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

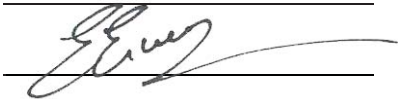
Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 21st day of April, Eric Ernest

| | |
|----------------------|---|
| CONTRACTOR | McConnell & Jones LLP |
| Authorized Signature |  |
| Title | Partner |

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form**

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

Instructions:

- a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.
b.) Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☒ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**

Instructions: Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**

Instructions: Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

| Offeror Information | | | |
|--|--|---------------|------------------|
| Company Name | McConnell & Jones LLP | | |
| City Vendor ID Code | VS0000023550 | | |
| Physical Address | 4828 Loop Central Dr, Ste. 1000 | | |
| City, State Zip | Houston, TX 77081 | | |
| Phone Number | 713-968-1631 | Email Address | EErnest@mjlm.com |
| Is the Offeror City of Austin M/WBE certified? | <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES Indicate one: <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture | | |

Offeror Certification: I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed **Subcontracting/Sub-Consulting Utilization Form**, and if applicable my completed **Subcontracting/Sub-Consulting Utilization Plan**, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the **Request For Change** form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form.

Eric Ernest, Partner

Eric Ernest

Name and Title of Authorized Representative (Print or Type)

Signature/Date

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan**

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

(Offerors may duplicate this page to add additional Subcontractors as needed)

| Subcontractor/Sub-consultant | |
|---|--|
| City of Austin Certified | <input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED |
| Company Name | |
| Vendor ID Code | |
| Contact Person | Phone Number: |
| Additional Contact Info | Fax Number: E-mail: |
| Amount of Subcontract | \$ |
| List commodity codes & description of services | |
| Justification for not utilizing a certified MBE/WBE | MJ is a certified MBE with the City of Houston and is capable of performing all services independent of a subcontractor. |

| Subcontractor/Sub-consultant | |
|---|--|
| City of Austin Certified | <input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED |
| Company Name | |
| Vendor ID Code | |
| Contact Person | Phone Number: |
| Additional Contact Info | Fax Number: E-mail: |
| Amount of Subcontract | \$ |
| List commodity codes & description of services | |
| Justification for not utilizing a certified MBE/WBE | |

| SMBR Contact Information | | | |
|--------------------------|--------------|---|--------------------|
| SMBR Contact Name | Contact Date | Means of Contact | Reason for Contact |
| | | <input type="checkbox"/> Phone OR <input type="checkbox"/> Email | |

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the Offeror ☐ HAS or ☐ HAS NOT complied with these instructions and City Code Chapters 2-9A/B/C/D, as amended.

Eric Ernest

Reviewing Counselor

Date

I have reviewed the completing the Subcontracting/Sub-Consultant Utilization Plan and ☐ Concur ☐ Do Not Concur with the Reviewing Counselor's recommendation.

Partner

Director/Assistant Director or Designee

Date



PROPOSAL IN RESPONSE TO:

**AUDIT OF THE CITY OF AUSTIN
DEFERRED COMPENSATION PLAN
FINANCIAL SUMMARIES
RFQS 7400 JOG4000**

SUBMITTED TO:

City of Austin
Gail Ray, Financial Analyst
City of Austin, Texas

DATE SUBMITTED:

Tuesday, April 21, 2020 @ 2:00 PM CST

FIRM CONTACT:

Mr. Eric Ernest, CPA, Partner

Tel: 713.968.1631

Email: EErnest@mjlmc.com



McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

4828 Loop Central Drive, Suite 1000

Houston, TX 77081

PH: 713.968.1600

FAX: 713.968.1601

www.mcconnelljones.com



TABLE OF CONTENTS

| SECTION | PAGE NUMBER |
|---|-------------|
| <i>Transmittal Letter</i> | <i>1</i> |
| <i>Tab 1 – City of Austin Purchasing Office Documents</i> | <i>2</i> |
| <i>Tab 2 – Authorized NegotiatOr.....</i> | <i>13</i> |
| <i>Tab 3 – Executive summary.....</i> | <i>14</i> |
| <i>Tab 4 – References.....</i> | <i>18</i> |
| <i>Tab 5 – Personnel Qualifications & Demonstrated Applicable Experience.....</i> | <i>20</i> |
| <i>Tab 6 – Company Experience</i> | <i>25</i> |
| <i>Our Commitment</i> | <i>29</i> |
| <i>Attachment A – Sample PBC List.....</i> | <i>30</i> |



April 21, 2020

Jo Gutierrez
Procurement Specialist III
City of Austin, Purchasing Office
124 W 8th Street, Rm 310
Austin, TX 78701

To Whom it May Concern,

On behalf of McConnell & Jones LLP (MJ or the Firm), we are pleased to respond to your request for proposal to perform the annual audit of the City of Austin Deferred Compensation Plan for City Employees. We sincerely believe we are the auditors who best match your needs and expectations. Several factors set us apart:

Established Relationships | We currently serve as the City of Austin's ("the City") deferred compensation plan auditor. Our well-developed client/auditor relationship provides us thorough knowledge of the requirements for the requested services as well as a deep understanding of your operations. Maintaining consistency in your auditor paves the way for the highest level of service and assists you in achieving your organizational goals.

Recognized Excellence | Based on a study conducted by the Department of Labor, the size of our employee benefit plan audit practice places MJ in the top 100 national accounting firms that audit employee benefit plans.. With this level of subject matter expertise, we serve as a resource providing you quality audits, timely responses to your accounting and regulatory questions and valuable insights into current and future developments affecting employee benefit plans.

Committed Team of Professionals | Ranked as one of the largest firms in the Southwest by Accounting Today, we enjoy a comparatively low turnover rate- meaning there is little need to retrain our staff on your engagement year after year. We are pleased to propose returning team members to this engagement, who dedicate 70 to 100 percent of their time to this discipline and can provide the City information on specific issues relative to your engagement. This depth on our bench provides us the flexibility to accommodate your schedule, without compromising the experience level or availability of the staff assigned to the engagement.

Insightful Municipal Understanding | Partnering with MJ allows the the City to tap into the insight and acumen offered through our public sector audit division which works exclusively within the government and nonprofit industries to perform financial statement audits and other related services to clients such as the City of Houston, the City of Duncanville, and the City of Glenn Heights. This experience gives our team a deep understanding of your current business operations and adds additional value to your engagement.

In summary, we at McConnell & Jones are excited about this opportunity to work with the City of Austin Deferred Compensation Plan for City Employees. Thank you for the opportunity to present both our firm and our plans for this engagement. If you have any questions or comments, please call me at 713.968.1631.

Eric Ernest, CPA
Partner

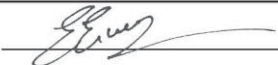
4828 Loop Central Dr.
Suite 1000
Houston, Texas 77081
Phone: 713.968.1600



TAB 1 – CITY OF AUSTIN PURCHASING OFFICE DOCUMENTS

A. SIGNED OFFER SHEET

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: McConnell & Jones LLP
Company Address: 4828 Loop Central Drive, Ste 1000
City, State, Zip: Houston, Texas 77081
Vendor Registration No. VS0000023550
Printed Name of Officer or Authorized Representative: Eric Ernest
Title: Partner
Signature of Officer or Authorized Representative: 
Date: 4/21/2020
Email Address: EErnest@mjlm.com
Phone Number: 713-968-1631

* Qualifications Statement must be submitted with this signed Offer sheet to be considered for award



B. SECTION 0510 EXCEPTIONS CHECKLIST

Section 0510: Exceptions Checklist

Solicitation Number: RFQS 7400 JOG4000 Audit Of The City Of Austin Deferred Compensation Plan Financial Summaries

The City will presume that the Offeror is in agreement with all sections of the solicitation unless the Offeror takes specific exception as indicated below. Complete the exception information indicating each exception taken, provide alternative language, and justify the alternative language. The City, at its sole discretion, may negotiate exceptions that do not result in material deviations from the sections contained in the solicitation documents. Material deviations as determined by the City may result in the City deeming the Offer non-responsive. The Offeror that is awarded the contract shall be required to sign the contract with the provisions accepted or negotiated.

Place this attachment in Tab 1 of your offer. Copies of this form may be utilized if additional pages are needed.

Indicate:

- ☐ 0300 Standard Purchase Terms & Conditions
- ☐ 0400 Supplemental Purchase Provisions
- ☐ 0500 Scope of Work

| Page Number | Section Number | Section Description |
|-------------|----------------|---------------------|
|-------------|----------------|---------------------|

Alternative Language:

Justification:

MJ has no exceptions to this solicitation.



C. SECTION 0700 REFERENCE SHEET

Section 0700: Reference Sheet

Responding Company Name McConnell & Jones LLP

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

- | | |
|---------------------------|---|
| 1. Company's Name | Metropolitan Transit Authority of Harris County (METRO) |
| Name and Title of Contact | Mr. William (Bill) McHale, Senior Director/Controller |
| Project Name | METRO's Audit of Defined Benefit Pension, Deferred Compensation and Health and Welfare Plans |
| Present Address | 1900 Main Street |
| City, State, Zip Code | Houston, Texas 77002 |
| Telephone Number | 713 739-4937 Fax Number () n/a |
| Email Address | William.McHale@ridemetro.org |
| | |
| 2. Company's Name | Houston Firefighters' Relief and Retirement Fund |
| Name and Title of Contact | Ms. Claudia McInnis, Director of Finance & Administration |
| Project Name | Financial Statement Audit for the Fund, a Defined Benefit Pension Plan |
| Present Address | 4225 Interwood N. Pkwy., |
| City, State, Zip Code | Houston, Texas 77032 |
| Telephone Number | 281 372-5134 Fax Number () n/a |
| Email Address | Claudia@hfrf.org |
| | |
| 3. Company's Name | Maritime Association – I.L.A. Funds |
| Name and Title of Contact | Mr. Bradley Sommer, Plan Administrator |
| Project Name | Audit & Tax Services Maritime Association – I.L.A.'s Retirement, Pension, Health and Welfare and Vacation Funds |
| Present Address | 11550 Fuqua St., Suite 425 |
| City, State, Zip Code | Houston, Texas 77034 |
| Telephone Number | 281 484-4343 Fax Number () 281 484-7043 |
| Email Address | bsommer@ma-ila.org |



D. SECTION 0800 NON-DISCRIMINATION AND NONRETALIATION CERTIFICATION

City of Austin, Texas Section 0800

NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION

City of Austin, Texas
Equal Employment/Fair Housing Office

To: City of Austin, Texas.

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

City of Austin Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does



Statement of Qualifications
RFQS 7400 JOG4000 – AUDIT OF THE CITY OF AUSTIN
DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, OR THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

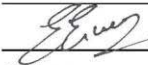
Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 21st day of April, 2020

| | |
|----------------------|---|
| CONTRACTOR | McConnell & Jones LLP |
| Authorized Signature |  |
| Title | Partner |

E. SECTION 0900 SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE) PROCUREMENT PROGRAM Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form

SOLICITATION NUMBER: RFQS 7400 JOG4000

SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

Instructions:

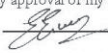
a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.
b.) Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☒ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**

Instructions: Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**

Instructions: Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

| Offeror Information | | | |
|---|--|---------------|----------------|
| Company Name | McConnell and Jones LLP | | |
| City Vendor ID Code | VS0000023550 | | |
| Physical Address | 4828 Loop Central Dr, Ste. 1000 | | |
| City, State Zip | Houston, TX 77081 | | |
| Phone Number | 713-968-1600 | Email Address | info@mjlmm.com |
| Is the Offeror City of Austin M/WBE certified? | <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES Indicate one: <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture | | |
| <p>Offeror Certification: I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed Subcontracting/Sub-Consulting Utilization Form, and if applicable my completed Subcontracting/Sub-Consulting Utilization Plan, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the Request For Change form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my Subcontracting/Sub-Consulting Utilization Plan, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my Request for Change form. I understand that, if a Subcontractor is not listed in my Subcontracting/Sub-Consulting Utilization Plan, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my Request for Change form.</p> <p>Eric Ernest, Partner _____  4/21/20</p> <p>Name and Title of Authorized Representative (Print or Type) Signature/Date</p> | | | |



Statement of Qualifications
RFQS 7400 JOG4000 – AUDIT OF THE CITY OF AUSTIN
DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, OR THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

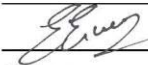
Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 21st day of April, 2020

| | |
|----------------------|---|
| CONTRACTOR | McConnell & Jones LLP |
| Authorized Signature |  |
| Title | Partner |



F. SECTION 0905 SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE) PROCUREMENT PROGRAM

Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan

SOLICITATION NUMBER: RFQS 7400 JOG4000
SOLICITATION TITLE: AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

(Offerors may duplicate this page to add additional Subcontractors as needed)

| Subcontractor/Sub-consultant | |
|---|--|
| City of Austin Certified | <input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED |
| Company Name | |
| Vendor ID Code | |
| Contact Person | Phone Number: |
| Additional Contact Info | Fax Number: E-mail: |
| Amount of Subcontract | \$ |
| List commodity codes & description of services | |
| Justification for not utilizing a certified MBE/WBE | MJ is a certified MBE with the City of Houston and is capable of performing all services independent of a subcontractor. |

| Subcontractor/Sub-consultant | |
|---|--|
| City of Austin Certified | <input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED |
| Company Name | |
| Vendor ID Code | |
| Contact Person | Phone Number: |
| Additional Contact Info | Fax Number: E-mail: |
| Amount of Subcontract | \$ |
| List commodity codes & description of services | |
| Justification for not utilizing a certified MBE/WBE | |

| SMBR Contact Information | | | |
|--------------------------|--------------|--|--------------------|
| SMBR Contact Name | Contact Date | Means of Contact | Reason for Contact |
| | | <input type="checkbox"/> Phone OR <input type="checkbox"/> Email | |

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the Offeror ☐ HAS or ☐ HAS NOT complied with these instructions and City Code Chapters 2-9A/B/C/D, as amended.

Reviewing Counselor

Date

I have reviewed the completing the Subcontracting/Sub-Consultant Utilization Plan and ☐ Concur ☐ Do Not Concur with the Reviewing Counselor's recommendation.

Director/Assistant Director or Designee

Date



G. SIGNED ADDENDUMS (ALL PAGES)



ADDENDUM
AUDIT OF THE CITY OF AUSTIN DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES
PURCHASING OFFICE
CITY OF AUSTIN, TEXAS

Solicitation: RFQS 7400 JOG4000

Addendum No: 1

Date of Addendum: 04/02/2020

This addendum is to incorporate the following changes to the above referenced solicitation:

I. Clarifications:

A. Responses to this solicitation will be received online as well as by paper or electronic submittal. Submittal instructions for Online Offer Submissions are as follows:

1. ONLINE OFFER SUBMISSION

- 1.1 Due Date and Time. Offers in response to this Solicitation shall be submitted by the Offer Due Date and Time displayed in the Important Dates section of the Solicitation Cover Sheet online. The system time within Austin Finance Online shall be the official time of record.
- 1.2 Vendor Registration. Offerors responding to this Solicitation must be registered as vendors with the City on Austin Finance Online. See Attachment 1, Submitting Offers in Austin Finance Online.
- 1.3 Online Submission. Offers in response to this Solicitation may be submitted electronically, through the City's online financial system, Austin Finance Online. See Attachment 1, Submitting Offers in Austin Finance Online.
- 1.4 Withdrawing and Revising Offers. Offers submitted online in response to this Solicitation may be withdrawn, revised and resubmitted any time prior to the Offer Due Date and Time displayed in the Solicitation Cover Sheet. See Attachment 1, Submitting Offers in Austin Finance Online.
- 1.5 Late Offers. Austin Finance Online will not accept any Offer Submittals submitted after date and time displayed in the Offers Due section of the Solicitation Cover Sheet online.
- 1.6 Openings: The City will not allow any public attendees at solicitation openings. If the City receives any responses to a solicitation delivered to the Purchasing Office as a paper or electronic submittal, those responses will be opened and read aloud at the time stated on the Solicitation Offer Sheet and viewable at the following website:

<http://www.austintexas.gov/department/bid-opening-webinars>

For Offers submitted online, following the date and time displayed in the Offers Due section of the Offer Sheet, the name of each Offeror will be displayed in Austin Finance Online.

B. Attachment 1, Submitting Offers in Austin Finance Online, is included with this Addendum.

II. **Questions and Answers:**

Q1: Is there an incumbent currently providing these services? If so, can you provide me with the contract and/or contract number?

A1: The City's most recent contract for these services was with McConnell and Jones, LLP. The contract number was CT 7400-18062600523.

Q2: Are the services in this RFP continually needed, even beyond the term of the resulting contract, and therefore, may be bid out again?

A2: Yes, the City has a continual need for services, even beyond the term of the resulting contract. The City may resolicit for similar services in the future.

Q3: Please provide a copy of the audited plan financials for the past two years.

A3: The audited financial statements from the past 2 years are attached.

Q4: Please provide copies of any reported significant deficiencies or material weakness for the past two years.

A4: Not applicable, there have been no reported significant deficiencies or material weaknesses in the past 2 audit years.

Q5: Does the Plan expect a change in the Trustee or recordkeeper of the Plan within the coming year?

A5: Wells Fargo, the Plan's previous custodial trustee, decided to sell their trustee business. Due to that decision, the City's Deferred Compensation Plan changed the custodial trustee from Wells Fargo to Great West Trust Company in November 2019. There are no plans to change either the current custodial trustee or the record keeper within the coming year.

Q6: For the annual audit, does the City designate someone within the City to coordinate the efforts with the Third-party providers during the audit?

A6: Yes, there is a designated City staff person who will coordinate efforts between the City, the auditors, and the 3rd party providers.

Q7: Can you please provide financial statements and plan documents, including the plan adoption agreement, for the City of Austin 457(b) Deferred Compensation Plan?

A7: The audited financial statements from the past 2 years are attached. The Plan Document and the Plan Adoption Agreement will be provided to the successful contractor as part of the audit package.

Q8: If financial statements are not available, would you please provide the most recent trustee statement for the plan?

A8: The audited financial statements from the past 2 years are attached. The most recent trustee statement will be provided to the successful contractor as part of the audit package.

Q9: Has the City of Austin Deferred Compensation Plan been audited before? If so, please provide the report(s).

A9: The audited financial statements from the past 2 years are attached.

A. Attachment 2, the City of Austin Financial Statement 2018, is included with this Addendum.

B. Attachment 3, the City of Austin Financial Statement 2017, is included with this Addendum.



Statement of Qualifications
RFQS 7400 JOG4000 – AUDIT OF THE CITY OF AUSTIN
DEFERRED COMPENSATION PLAN FINANCIAL SUMMARIES

III. Changes to the solicitation due date as follows:

3.1 The bid due date is hereby extended until 2:00 PM Tuesday, April 21, 2020.

3.2 The bid opening date is hereby extended until 3:00 PM Tuesday, April 21, 2020.

IV. **ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

ACKNOWLEDGED BY:

Eric Ernest

Name

Authorized Signature

4/21/20

Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.



TAB 2 – AUTHORIZED NEGOTIATOR

The following contact is authorized to negotiate and execute binding contract terms:

NAME

Eric Ernest, CPA

MAILING ADDRESS

4828 Loop Central Drive
Suite 1000
Houston, Texas 77081

EMAIL ADDRESS

EErnest@mjlm.com

PHONE NUMBER

713-968-1631

TAB 3 – EXECUTIVE SUMMARY

Our philosophy is directed toward adding value to our clients and serving as your trusted advisors. Not only does McConnell & Jones LLP (MJ) bring a wealth of relevant experience, but as your current auditors, we are committed to ensure the City of Austin (“the City”) continue receiving personalized attention from team members that have intimate knowledge and an understanding of the unique aspects of your reporting.

FIRM BACKGROUND AND EXPERIENCE TO SERVE THE CITY

Founded in 1987, McConnell and Jones LLP (MJ) is a mid-sized limited liability partnership with locations in Austin, Houston, and Dallas, Texas as well as Washington, D.C. Recognized by *Accounting Today* as one of the top public accounting firms in the Southwestern United States, MJ offers exceptional performance, and with more than 90 employees’ firm-wide, our network of resources is ready to help the City address benefit plan financial compliance and reporting requirements.

MJ has provided employee benefit services for more than 20 years and has served several public sector clients such as the City of Austin, Metropolitan Transit Authority of Harris County, Maritime I.L.A and the District of Columbia Retirement Board. A more detailed listing of our references can be found in **Tab 4** of this proposal.

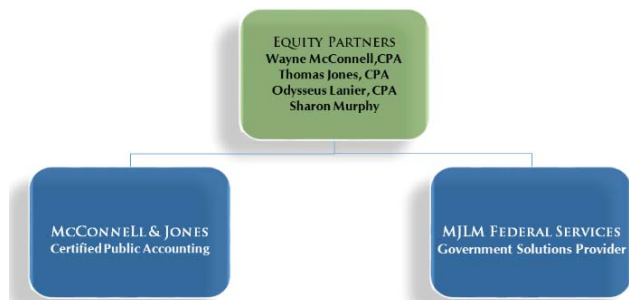
Experience with the City of Austin, Texas

The MJ team has served as the independent auditor of the City’s defined contribution plan since 2018. During those audits, MJ Team has gained a substantial base of knowledge of the City and its related internal policies and processes, as well as a thorough understanding of the objectives of management. This institutional knowledge that we have accumulated helps us to plan, conduct and report on your audits in an efficient manner.

Ownership Structure

MJ is affiliated with MJLM Federal Services, a single-solution provider of services to federal government clients, including the Department of Defense and Department of Labor as well as federal industry organizations. Both entities share equal ownership of the following four equity partners: Wayne

McConnell, CPA, Thomas Jones, CPA, Odysseus Lanier, CPA, and Sharon Murphy. We propose that McConnell & Jones LLP will be solely responsible for the services requested under this solicitation. There have been no material changes in organizational structure, or ownership that has occurred in the past five (5) years.



Lines of Business

MJ has established a strong practice as a public accounting and consulting firm. Our firm has more than 30 years of diverse experience in performing audit engagements for clients in a myriad of industries, including governmental entities. We offer extensive resources and services which can be available to the City should special needs arise.

| ASSURANCE SERVICES | ADVISORY SERVICES | TAX SERVICES |
|---|---|--|
| <ul style="list-style-type: none"> Financial Statement Audits Single Audits Employee Benefit Plan Audits Agreed-Upon Procedures | <ul style="list-style-type: none"> Internal Audit Outsourcing Internal Control Audits Risk Assessments Forensics Services Risk Advisory Services Audit Readiness Assessments Process Reviews | <ul style="list-style-type: none"> Federal Tax Compliance & Planning State & local Tax Compliance & Planning IRS Representation Virtual Controller Services Business Management |

Employee Benefit Plan Team

MJ offers an established benefit plan assurance practice and, according to a study released by the Department of Labor, we are considered among the top 1% of accounting firms in the country that audit employee benefit plans based on the number of plans audited.



PROVEN EXPERIENCE



- » We perform audits for more than 150 plans of various sizes and structures
- » We work with a myriad of third-party administrators
- » We prepare Form 5500, Form 8955-SSA returns and Summary Annual Reports for many of our clients as well as IRS Form 990 returns for plan trusts

ROBUST PRACTICE



- » Plan participants range from 100 to 77,000
- » Plan assets range from under \$1 million to over \$8 billion
 - » 22 in excess of \$1 billion
 - » 14 in excess of \$500 million
- » Our client portfolio aggregates \$70 billion in plan assets

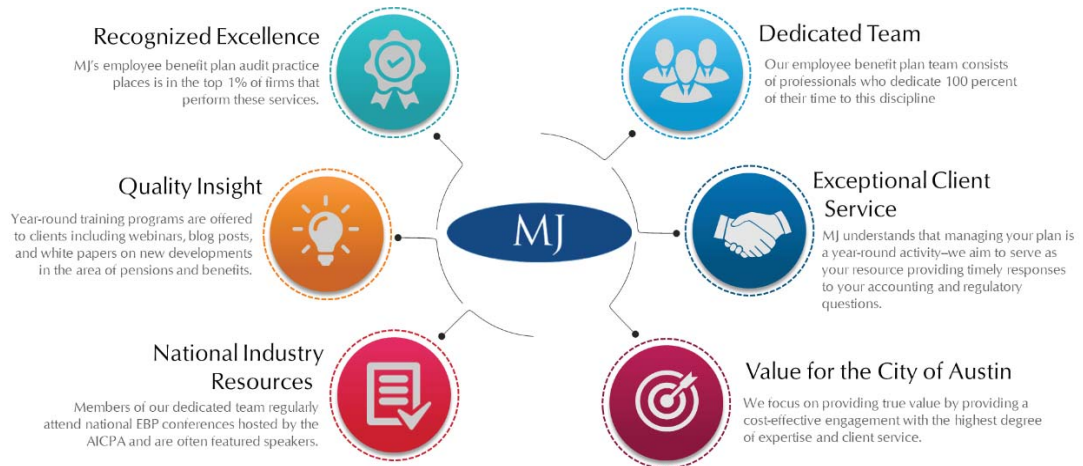
DEDICATED TEAM



- » Dedicated team of benefit plan audit specialist
- » 100+ years of combined experience providing services to plan sponsors
- » Active members and frequent presenters within the industry

UNDERSTANDING YOUR NEEDS

We understand the City is requesting a certified public accounting firm to perform an audit of the City of Austin Deferred Compensation Plan for City Employees (“the Plan”) as stated in Section 0500 of the RFQS. The City will enjoy many advantages to working with McConnell & Jones:



Advantages to the City

Quality Insight | MJ regularly conducts employee benefit plan seminars and webinars covering all aspects of plan administration including fiduciary responsibilities and financial reporting. Not only does our client training program offer insight into changing regulations, but we also provide authorized Continuing Professional Education (CPE) credit for attendees.

Exceptional Client Service | MJ understands that managing your Plans is a year-round activity; therefore, as part of our engagement, we are dedicated to being readily available at any time for routine assistance. We aim to serve as your resource providing, timely responses to your accounting and regulatory questions and valuable insights into current and future developments affecting employee benefit plans.

National Industry Resources | Participation in national and local accounting and employee benefit associations and conferences keeps our team ahead of the curve when it comes to understanding the regulatory challenges facing the City. Members of your proposed engagement team regularly attend annual employee benefit plan related conferences hosted by the AICPA and are often featured speakers. This provides you local subject matter experts that can readily apply their understanding of upcoming compliance changes affecting your organization.

Value-Added Benefits

Cost Effective Engagements | MJ understands the importance of cost-effectiveness and we also know you don't want to sacrifice quality in favor of controlling cost. Because of our extensive experience in plan audits, we have streamlined our methodologies and can focus on providing true value – a high quality and cost-effective engagement with the highest degree of client service.



Expertise Beyond the Audit | Not only do we understand the requirements of an audit under generally accepted auditing standards, but our team offers a deep understanding of compliance requirements from a regulatory perspective. Our audit focuses on the financial statements and also the operational and compliance aspect of employee benefit plans providing an additional set of eyes on regulatory compliance (including fiduciary governance) and operational issues.

Year-Round Support | We perceive our roles as advisors to our clients and encourage you to ask questions throughout the year that would affect your accounting and reporting practices. We are available as needed during the contract years and do not bill for any routine inquiries for specific accounting and auditing matters.

TAB 4 – REFERENCES

Below are some of our numerous employee benefit plan audit clients for which we provide similar services being sought by the City that can be contacted for reference on the quality of our services and our ability to provide the services you need in a timely manner.

| | | |
|----|---|--|
| 1. | <p>Organization:</p> <p>Organization contract manager:</p> <p>Detail of the work completed for the organization:</p> | <p>Metropolitan Transit Authority of Harris County (METRO)</p> <p>Mr. William (Bill) McHale, Senior Director/Controller 1900 Main Street, Houston, Texas 77002 (713) 739-4937 Email: William.McHale@ridemetro.org</p> <p>MJ performs annual financial statement audits of METRO's defined benefit pension, deferred compensation and health and welfare plans. We were recently awarded their 457 plan audit in 2020.</p> <p>Year Contract Awarded: 2009</p> <p>Length of Contract: Annual renewal</p> <p>Value of Contract: \$102,000 annual fees</p> |
| 2. | <p>Organization:</p> <p>Organization contract manager:</p> <p>Detail of the work completed for the organization:</p> | <p>Houston Firefighters' Relief and Retirement Fund</p> <p>Ms. Claudia McInnis, Director of Finance & Administration 4225 Interwood N. Pkwy., Houston, Texas 77032 (281) 372-5134 Email: Claudia@hfrf.org</p> <p>MJ performed the financial statement audit for the Fund, a defined benefit pension plan, in accordance with GAAS.</p> <p>Year Contract Awarded: 2013- Present</p> <p>Length of Contract: 5 years + annual renewal since 2018</p> <p>Value of Contract: \$36,000 annual fees</p> |
| 3. | <p>Organization:</p> <p>Organization contract manager:</p> <p>Detail of the work completed for the organization:</p> | <p>Maritime Association – I.L.A. Funds</p> <p>Mr. Bradley Sommer, Plan Administrator 11550 Fuqua St., Suite 425, Houston, Texas 77034 (281) 484-4343 E-mail: bsommer@ma-ila.org</p> <p>MJ has performed annual financial audits and related tax services for Maritime Association – I.L.A.'s Retirement, Pension, Health and Welfare and Vacation Funds.</p> <p>Year Contract Awarded: 2014- Present</p> <p>Length of Contract: Annual renewal</p> <p>Value of Contract: \$126,000 annual fees</p> |

SNAPSHOT OF CLIENTS WE SERVE



TAB 5 – PERSONNEL QUALIFICATIONS & DEMONSTRATED APPLICABLE EXPERIENCE

RELEVANT AUDIT EXPERIENCE

MJ's employee benefit plan audit experience incorporates more than 150 plan audits annually that range in complexity of structure and plan size, approximately 50 percent of those plans are defined contribution plans with participant counts ranging between 150 and 77,000 and plan assets up to \$8 billion. These plans are structured similar to the City's Plan and use Empower and other third-party administrators. In addition, the client service team assigned to this engagement is familiar with the reporting and disclosure requirements of Governmental Accounting Standards Board (GASB).

We are intimately familiar with successful completion of engagements to meet internal and external report submission deadlines. Our interactive audit approach enables us and our clients to work towards a common objective to ensure compliance with regulatory requirements and adopt best practices. Many clients have retained our services for many years, underscoring not only their satisfaction with and confidence in our services, but also our in-depth understanding of the operations of such organizations. We look forward to continuing our service to the City.

Compliance with Government Regulations

We understand that employee benefit plans are governed by a myriad of ever-changing rules and regulations issued by the Employee Retirement Income Security Act of 1974 (ERISA), the DOL, the IRS, and the Social Security Administration; as a result, our specialists receive in-depth training on new developments, compliance and administrative issues involved with benefit plans, and are familiar with specific requirements unique for plan sponsors that are both privately-held and publicly traded.

We have implemented a comprehensive training program to ensure that professionals assigned to this engagement have the appropriate skills to achieve the objectives. Our employee benefit plan team professionals attend the AICPA National Conference on Employee Benefit Plans, the AICPA Employee Benefit Plans Accounting, Auditing and Regulatory Update, and through regular participation in the AICPA EBPAQC webcasts throughout the year.



Furthermore, our assurance professionals receive in excess of 40 hours of employee benefit plan related continuing education annually. This ensures that our specialists keep abreast of the current issues and developments.

TEAM OF PROFESSIONALS

We propose three (3) full-time employees, each with a strong understanding of benefit plan assurance requirements:



Eric Ernest, CPA

Partner and EBP Practice Leader

EBP Audit Experience: 19 Years
Total Audit Experience: 30 Years



Arshad Haque
EBP Audit Supervisor

EBP Audit Experience: 8 Years
Total Audit Experience: 21 Years



Imran Khimani, CPA
EBP Audit Senior Manager

EBP Audit Experience: 13 Years
Total Audit Experience: 21 Years

The Engagement Partner and Senior Manager will provide ongoing technical support to the team and oversee the progress of the engagement and are assigned 5 and 10 percent of the total time, respectively, of total time on the engagement. The Audit Supervisor will be the main point of contact and will perform and oversee the day-to-day activities, supported by an Audit Senior, with experience in audits of employee benefit plans and are assigned 35 and 50 percent of the total time on the engagement.

Engagement Team Bios

| Personnel, Title, and Anticipated Project Role | Qualifications and Experience | Project Job Description |
|--|--|--|
| <p>Eric Ernest, CPA <i>Partner and EBP Practice Leader</i></p> <p>Education:</p> <ul style="list-style-type: none"> Middlesex University, London, UK, BS Accounting & Finance, 1985 <p>Certifications:</p> <ul style="list-style-type: none"> Certified Public Accountant Fellow of the Association of Chartered Certified Accountants | <ul style="list-style-type: none"> Over 25 years of experience in accounting and financial audits of employee benefit plans for a variety of industries and plan sponsors Engagement partner on hundreds of employee benefit plan engagements including defined contribution (savings, ESOP and 401k) plans (including plans requiring Form 11-K filings), defined benefit (traditional pension and cash balance) plans, health and welfare plans (with 401(h) accounts), and master trust investment accounts. National practice leader; active participant in AICPA EBPAQC and frequent speaker at the AICPA National Conference on Employee Benefit Plans | <ul style="list-style-type: none"> Serve as project executive. Serve as relationship partner responsible for ensuring client satisfaction. Ensure quality of plan audit services. Provide logistical, technological, and leadership support to ensure that all project objectives are met. Participate in the review and quality assurance process. Present draft reports to the City's prior to completion. Present final reports to the City's management and governance teams. |
| <p>Imran Khimani, CPA <i>EBP Senior</i></p> <p>Education:</p> <ul style="list-style-type: none"> University of Karachi, Pakistan; Bachelor in Commerce <p>Certifications:</p> <ul style="list-style-type: none"> Chartered Accountant, Pakistan, ACA | <ul style="list-style-type: none"> Over 22 years of experience leading audits of employee benefit pension and welfare benefit plans for both publicly-held and privately-owned plan sponsors Expert in planning and supervising employee benefit plan audits, including defined contribution (plans, defined benefit plans, health and welfare plans with a section 401(h) arrangement, and master trust investment accounts. Extensive knowledge of accounting and technical reporting standards for both defined benefit and defined contribution plans. | <ul style="list-style-type: none"> Serve as audit manager. Provide day-to-day project leadership and direction. Management of fieldwork and supervision of the audit team, Conduct audit report reviews and ensure compliance. Consult with executive team leadership to ensure project success. Lead development of audit plans. Serve as technical resource for the audits and the audit reports. |



| Personnel, Title, and Anticipated Project Role | Qualifications and Experience | Project Job Description |
|---|---|--|
| <p>Arshad Haque <i>EBP Audit Supervisor</i></p> <p>Education:</p> <ul style="list-style-type: none"> B.B.A., Economics, Forman Christian College Chartered Accountancy (Completed 4-years Articleship with Ford, Rhodes, Robson & Morrow, Chartered Accountants (member firm of Ernst & Young – EY LLP) <p>Certifications:</p> <ul style="list-style-type: none"> CPA candidate | <ul style="list-style-type: none"> More than 21 years of audit experience, eight years specialized in performing compliance associated employee benefit plans. Audit Supervisor for MJ's benefit plan assurance practice. Extensive experience performing detailed audit procedures on complex financial statement account balances, preparing and adjusting work papers from clients' trial balance, and researching accounting issues. | <ul style="list-style-type: none"> Serve as team lead. Supervises tasks assigned to audit senior. Assists Senior Audit Manager in developing audit plans. Day-to-day client communication. Lead and conduct audits. Draft audit reports. |

Detailed Resumes with continuing education are provided in **Attachment A**.

THIRD PARTY ADMINISTRATORS AND PAYROLL PROVIDERS

MJ offers considerable experience with the third party administrators (TPAs), including record keepers and trustee/custodians. As listed below, our employee benefit plan clients use a variety of TPAs as their trustees and record-keepers. Therefore, we are familiar with the workflow and reporting platforms of these administrators, and have engineered our document and information requests to ensure “we speak the same language.” This means that we have minimum down time in getting familiar with the TPAs and their reports and can communicate and work directly with them and involve the client only when needed.

Additionally, we perform reviews of over 90 SSAE 16 reports issued by a wide range of vendors providing services to employee benefit plans, which includes the TPAs used by the Plan. This means we are familiar with the internal control system of these vendors and can achieve efficiency and savings, which can be passed to our clients.

The following provides a representative list of record keepers, payroll systems, and outsourced providers our firm has worked with during the last three (3) years:

- TPAs: Empower (Great-West Retirement Services), Wells Fargo, JP Morgan, Fidelity Trust, Bank of New York Mellon, State Street, Voya, Vanguard, T Rowe Price, Northern Trust, Trans America.
- In-house payroll systems: Banner, PeopleSoft, SAP. MJ provided audit services to the Texas Tomorrow Fund and the Texas Guaranteed Tuition Plan, for several years both of which used the Banner system.
- Outsourced payroll providers: ADP, Paycom, Paychex, Ceridian.

USE OF TECHNOLOGY

Our use of highly automated processes and advanced information technology systems streamlines engagements, provides rapid responses, enhances productivity and reduces the need for client assistance. We maintain this advanced level of technology to increase the efficiency of all projects and help reduce audit costs while adhering to the highest levels of data privacy and security.



Understanding Big Data. We use Audit Command Language (ACL), a data extraction application as an investigative audit tool, during our audit engagements. MJ has trained individuals, including ACL Certified Data Analysts, throughout our team to serve as champions of this software and can apply their expertise on your audit.

Audit Programs. MJ utilizes tools from industry leader, Thomson Reuters' Checkpoint, for PPC. MJ customizes the audit programs based on the risk assessment for each client in accordance with firm policies.

Information Sharing Made Easier. MJ has learned the value of creating a centralized and secure communications hub; by using web-based Citrix ShareFile MJ has the ability to open a secure portal through which your team members can share documents directly with our team. This makes the process of sharing private information easier, faster and more efficient. It also offers a high level of security to ensure stringent compliance with protocols required by the Health Insurance Portability and Accountability Act, of 1996 as amended (HIPAA).

Virtual Access to Plan Records Saves Time. Whenever possible, we register with third party administrators (TPA) to receive on-line access to plan and participant records. Directly accessing financial information and obtaining detail participant records directly from your TPA's reduces your team's document gathering time and increases the efficiency and accuracy of the audit information gathering process.

Effective Document Request Monitoring. MJ is committed to avoiding duplication of effort and reducing disruption to client staff. We utilize a cloud-based project management and task monitoring tool, Avaza, to track document requests and open action items.

Information Request Form. We use these forms during our initial planning meetings and continue to update and draw on them throughout our engagements to aid your team with managing deliverables. A standardized document request form allows us to better utilize your third-party reports and schedules to make our engagements more efficient year after year. Sample list of client provided schedules or other documents required by your firm to perform the audit can be found in **Appendix A**.

AUDITING UNDER COVID-19

These are certainly unprecedented times. As the COVID-19 virus continues its spread both locally and nationally, traditional office work has come to a near halt, and telework has become the norm. Audit risks in this changed environment have increased. You should be concerned, from an audit perspective with three areas – how have processes changed, how have disclosures changed, and how will we conduct the audit in a “locked down” environment.

The basic requirements of our audit process have not fundamentally changed. We will still follow our four (4) phased approach. However, we will focus much greater attention, in this new environment, on how transactions are initiated, processed and recorded. We are prepared to assist management in documenting how these processes have changed in response to the more distributed control environment if management has not yet done so. Using the process walkthroughs, we will document our understanding of the new aspects of the control environment, and we will provide management with concrete recommendations on how to improve it if we identify risks that the current internal control over financial reporting is not addressing. It would not be unexpected to see an increase in deficiencies in internal control reported over the next audit cycle due to this rapid change from a “bricks and mortar” control environment to a “virtual” control environment.

We believe that virtually every set of financial statements issued over the next several months will have extensive disclosures on the impact of COVID-19 on the entity. We expect that McDermott will have extensive disclosure in its management discussion and analysis of the impact of the virus on its financial operations, both for the year ended June 30, 2020, and for



the foreseeable future. The AICPA and the SEC have begun to promulgate accounting and auditing guidance related to the virus, and we have outlined several guidance changes in the CARES Act on our McConnell & Jones COVID-19 resources page.

Our business contingency and emergency preparedness plans include maintaining uninterrupted delivery of client services throughout this unprecedented time. Our teams are utilizing cloud-based and virtual technology protocols to ensure uninterrupted service to our clients, and all of us are committed to being available to you by phone, email, or video chat. The capabilities of our firm's technology infrastructure are robust, and when coupled with our strong culture of client service, MJ is prepared to ensure your needs are met through the utilization of the following tools:

Video Conferencing

In a locked down environment, your audit team will not be able to have the traditional "face to face" interaction with the auditee that we need to obtain our process understanding. As such, we will use technology in order to achieve such meetings. By using Zoom or similar video conferencing technology, we will be able to meet with necessary District personnel to obtain our understanding of the control environment. We will use this technology to conduct our entrance conferences, status meetings, and exit conferences. We believe that these meetings are critical to the appropriate execution of the audit, and they will continue to be held, just in a different manner.

Cloud Based Applications

MJ has already migrated to the cloud and we are in a strong position to handle the increased demand for remote work. Our cloud-based tools include Office 365, Citrix ShareFile, Engagement Organizer, CCH Workflow and Access. These cloud applications and infrastructure provide much more scalability and accessibility than servers and software housed in the office and will allow us to maintain service level agreements and delivery timelines.

Security Considerations

We understand that security is critical no matter what system is used. All of MJ systems have security measures in place. When teleworking, our associates are required to use company issued laptops that have current operating systems, updated software, virus and malware protection, encryption, login restrictions, IP address restrictions. Additionally, every employee is trained on the firm's telework and acceptable usage policies.

Connection and Access

Employees are provided with remote access through a Virtual Private Network (VPN) connection as well as mobile hotspots should they need internet access. The firm has fully tested the VPN connection and all teleworking employees have had accessibility assessment to ensure their ability to remain productive.



TAB 6 – COMPANY EXPERIENCE

SIZE OF THE ORGANIZATION

MJ is a mid-sized limited liability partnership with locations in Houston, Dallas and Austin, Texas as well as Washington, D.C. We have provided audit services to various governmental entities and organizations in Texas for more than 32 years, and with more than 90 professionals firm wide, we look forward to continuing to service the City.

CLIENTS TO AUDITORS RATIO

Our employee benefit plan professionals dedicate 100 percent of their time to providing benefit plan related services and maintain a balanced ratio of clients to auditor for every professional level. The following is a guideline of our client to auditor ratios by staff level for members of the MJ audit team:

| Professional Categories | Ratio (Client: Auditor) |
|-------------------------|-------------------------|
| Senior Manager | 20:1 |
| Audit Senior | 15:1 |
| Staff Auditor | 10:1 |

Staff assignments are not just based on number of clients. Other factors include, complexity of audits, reporting and regulatory requirements of the engagements and timing of deliverables. The overriding objective is to ensure that the team members are attentive to client needs and do not compromise response times and the quality of service as a result of excessive workload.

It is also important to note that based on the timelines identified in the RFQS, a significant amount of the audit work for the City will be performed outside the firm's high or peak season for employee benefit plans.

COMMUNICATION WITH THE CITY

Effective Two-Way Communications. MJ strongly believes effective communication with Plan management throughout the engagement is important to understanding matters related to the audit and in developing a constructive working relationship. For any technical accounting and financial reporting issues identified during the course of the audit we first make sure that that we have all of the facts right as we investigate potential findings, vet these issues with the appropriate staff, look for mitigating controls and are then communicated to the appropriate level of management immediately along with our proposed resolutions. This also includes any issues identified with respect to internal controls and the fiduciary responsibilities of Plan management and those charged with governance of the Plans.

Expectations Have Increased for Auditors to Openly and Candidly Communicate. AU-C Section 260 *The Auditor's Communication With Those Charged With Governance* (AU-C 260) and AU-C Section 265 *Communicating Internal Control Related Matters Identified in an Audit* (AU-C 265) require significant findings and issues related to the audit are expected to be communicated by your auditor. AU-C 260 identifies specific matters to be communicated and provides guidance on the communication process, in particular, the principal purposes of communication and the importance of effective two-way communication. AU-C 265 establishes standards and provides guidance on communicating matters related to an entity's internal control over financial reporting including evaluating the severity of control deficiencies identified in an audit of financial statements.



In order to ensure we effectively meet these required communications; we plan to meet with plan management on a regular basis during the engagement. These meetings will either be conducted in person or via audio / video conference calls, as required. We will meet prior to significant fieldwork to discuss our planned audit approach, after the audit to discuss the results of the audit and other required communications and, if required, during the course of the audit to discuss any accounting, audit or compliance related issues that come to our attention. In addition, at the end of the engagements we will issue written communications to plan management and the audit committee and will meet with the committee charged with governance of the Plans to present the drafts of the financial statements and these required communications.

Furthermore, the MJ team regularly conducts webinars and blog posts for clients and plan sponsors that address new and upcoming regulatory changes that affect organizations and their benefit plans. Most recently, MJ published a blogpost covering the provisions of the CARES Act and its impact on benefit plans.

EXTERNAL PEER REVIEW AND INSPECTIONS

MJ has been a member of the AICPA since 1987. Being a member of AICPA, MJ and is subject to the AICPA's peer review process every three (3) years. Our commitment to quality is underscored by the results of an independent peer review of our accounting and auditing practices. After a thorough study of our procedures and work practices, which include reviews of our governmental, not-for-profit, benefit plan, and commercial audits, the reviewers concluded that MJ complies with the stringent quality control standards established by the American Institute of Certified Public Accountants. To evidence this fact, we received a "Pass" rating in our current peer review letter. Our most recent peer review was completed in January 2018, where we received a "Pass" rating.

Firms that audit more than 100 employee benefit plans annually are subject to a periodic inspection performed by the DOL Employee Benefits Security Administration Office of Chief Accountant. MJ performs more than 100 employee benefit plan audits every year and is subject to these inspections. Our most recent inspection had no findings to report.

Your Vision Our Focus



Report on the Firm's System of Quality Control

January 31, 2018

To the Partners of
McConnell & Jones, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of **McConnell & Jones, LLP** (the Firm), applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended June 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act; audits of employee benefit plans and an audit of a non-carrying broker-dealer.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Turner, Stone & Company, L.L.P.
Accountants and Consultants
12700 Park Central Drive, Suite 1400
Dallas, Texas 75251
Telephone: 972-239-1660 / Facsimile: 972-239-1665
Toll Free: 877-853-4195
Web site: turnerstone.com



Opinion

In our opinion, the system of quality control for the accounting and auditing practice of **McConnell & Jones, LLP**, applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended June 30, 2017, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. **McConnell & Jones, LLP** has received a peer review rating of *pass*.

Turner, Stone & Company, LLP

Turner, Stone & Company, L.L.P.

OUR COMMITMENT

*“To provide the highest level of service quality
that our clients expect and deserve.”*



McConnell & Jones LLP has a straight forward goal; to deliver quality, accurate professional audit services in a timely manner and with excellent customer service. We welcome the opportunity to strengthen our existing contractual relationship, our value proposition to the City of Austin as well as more in-depth discussion with you and key members of your leadership team. We want to earn the right to do business with the City and to continue building a viable relationship as a trusted service provider.

Warmest regards,

McConnell & Jones LLP

McConnell & Jones LLP

ATTACHMENT A – SAMPLE PBC LIST

| | | Information/Document Request | | | | | LEGEND: (Please DO NOT DELETE) Pending Provided to MJ Waived Temporarily Not Applicable | |
|--|---|------------------------------|-------------------|----------------------------------|-------------|---|--|--|
| Orange highlighted row indicate pending items Grey highlighted row indicate items received, or not applicable at this point | | | | | | | | |
| # | Descriptions | Notes (if any) | Responsible Party | Person Responsible at the Client | Date Agreed | Status Pending, Provided to MJ, Waived temporarily, Not Applicable | Comments (if any) | |
| Section I – Permanent File Information and Updates | | | | | | | | |
| 1 | Plan Documents and Amendments: Copy of the original or restated plan document and amendments from inception or most recent restatement of the Plan to the date of the audit report. | | | | | | | |
| 2 | Agreements / Contracts: Copies of original agreements/contracts and amendments from inception to date. • Trustee - • Recordkeeper - • Investment managers - • Insurance companies - • Master trust arrangements and filings | | | | | | | |
| 3 | Summary Plan Description (SPD): Latest SPD through the date of the audit report. | | | | | | | |
| 4 | Copies of Notice/Letter received from IRS, or DOL for the Plan being audited for period January 1, 2015 to audit report date, if any. Note: If Plan has not received any such letter/notice then please change status to "N/A". | | | | | | | |
| 5 | Latest IRS determination letter. | | | | | | | |
| 6 | Benefit Plan Committee (BPC) Charter. This is a document describing the purposes, duties, responsibilities, etc. of the BPC. | | | | | | | |
| 7 | Internal Control / SOX Control Document for following areas: • Payroll processes as they relate to compensation calculation and contribution deductions. • HR processes as they relate to contribution remittances, eligibility determination and demographic data. | | | | | | | |
| 9 | Fidelity Bond covering audit period | | | | | | | |
| 10 | Nondiscrimination tests with Pass/Fail results. | | | | | | | |
| 11 | Investment Policy | | | | | | | |
| Section II – Audit Planning Questionnaires | | | | | | | | |
| 12 | Completed Client Questionnaire (PN-1) Note: MJ will provide this PN-1 questionnaire through separate email. | | | | | | | |
| 13 | Entity level questionnaire (PN-2a) and activity level questionnaire (PN-2b) Note: MJ will either provide copies of the questionnaire through separate email or discuss the questions during the site visit. | | | | | | | |
| 14 | Fraud Questionnaire [As required by GAAAS (section 240) and PCAOB (Section 316) audit standard, MJ will conduct fraud inquiry. MJ will conduct this inquiry either by separate email or through direct interviews.] | | | | | | | |
| 15 | Minutes of benefit plan oversight committee and sub-committee meetings and/or Board of Trustees meetings related to pension plans, if any, for the period 1/1/15 to date of audit report. | | | | | | | |
| 16 | Subsequent Financial Data: Please provide trust statements from January 2016 through the date of the audit report. | | | | | | | |
| 17 | Copy of the SSAE 16 / SOC-1 reports for the • trustee, • record-keeper and • any other provider where services have been outsourced like payroll, medical, dental, eye insurance. If the SSAE 16 / SOC-1 coverage period ends before the plan year end, request the TPA provide a "gap or bridge letter", or subsequent SSAE 16 / SOC-1 report that covers the remaining "gap period". | | | | | | | |
| Section III – Current Year Plan Financial Data | | | | | | | | |
| 18 | Working Trial Balance (WTB) for fiscal year ended December 31, 2015. | | | | | | | |

MJ

McCONNELL & JONES LLP

Information/Document Request

LEGEND: (Please DO NOT DELETE)Pending:
Provided to MJWaived Temporarily
Not Applicable

Date Updated:

Orange highlighted row indicate pending items

Gray highlighted row indicate items received, or not applicable at this point

| # | Descriptions | Notes (if any) | Responsible Party | Person Responsible at the Client | Date Agreed | Status: Pending, Provided to MJ, Waived Temporarily, Not Applicable | Comments (if any) |
|----|---|--|-------------------|----------------------------------|-------------|--|-------------------|
| 19 | Trust Statements (and Annual Audit Package) The annual trust statements should include at least following items: 1) Year end valuation of investments, including classification of investments and roll forward for Type III investments as required by ASC 820. 2) Activity through out audit period, such as contribution (separated by employer and employee), benefit payment and earnings on investment. 3) Certification under 29 CFR 2520.103-5 of ERISA 1974- if limited scope audit required. Note: (a) Please check with Trustee/ Record Keeper (TPA), if "Read, Download, and Request Document Only" access to TPA website can be provided to auditor. Access to TPA website will expedite audit. (b) MJ will request additional schedule/information depends on data received in standard audit package. | | | | | | |
| 20 | Draft Financial Statements | | | | | | |
| 21 | Completed Financial statement disclosure checklist: Completed AICPA Financial statement disclosure checklist. This is a disclosure checklist to assist you in drafting FS. Note: - MJ will provide latest disclosure checklist through separate email | | | | | | |
| | Section IV – Test Work and other audit related items. | | | | | | |
| 22 | Employee Listings List of employees from Payroll as of 12/31/2015, including those who got terminated and retired during 2015. The list should include the following information by participant: • Name & SSN (or employee number) • Date of birth • Date of hire • Date of termination/death/retirement (if applicable) • Status- Active/ Retired/ Terminated | | | | | | |
| 23 | Contribution Information Contributions and loan information is also needed from the TPA showing at least following information: • Name & SSN (or employee number) • Total employee contributions during 2015 • Total employer contributions during 2015 • Any Roll-over contributions during 2015 | | | | | | |
| 24 | Participant Loan Information Loan information from the TPA showing following information: • List of new loans issued during 2015 • Loan roll-forward schedule | | | | | | |
| 25 | List of Plan Distributions (benefit payments) to participants during 2015 | | | | | | |
| 26 | Methodology for determining ASC 820 - Fair value measurement and investments leveling in hierarchy table | | | | | | |
| 27 | Investment confirmation from Trustee/Custodian MJ will provide you investment confirmation template. | | | | | | |
| 28 | Legal Inquiry for any Pending matters or Litigations MJ will inquiry in a separate email and accordingly request for the legal confirmation as needed | | | | | | |
| 29 | Draft of 2015 Form 5500 | Please ignore it if MJ has been engaged to prepare the Form 5500 | | | | | |

Information/Document Request

LEGEND: (Please DO NOT DELETE)

Pending
Provided to MJ

Waived Temporarily
Not Applicable

Date Updated:

Orange highlighted row indicate pending items

Grey highlighted row indicate items received, or not applicable at this point

| # | Descriptions | Notes (if any) | Responsible Party | Person Responsible at the Client | Date Agreed | Status: Pending, Provided to MJ, Waived Temporarily, Not Applicable | Comments (if any) |
|----|---|----------------|-------------------|----------------------------------|-------------|--|-------------------|
| 30 | Schedule of employee deferral remittances: The report/schedule should include the following information and should cover the entire plan year: • Payroll date (date on which the payroll deduction was made or payroll run date). • Date of remittance / wire to the trust. • Total amount of employee contributions (pre-tax, employee post-tax, loan, etc.) remitted per payroll period/run. MJ will provide you the schedule template. | | | | | | |
| 31 | Please provide 12/31/15 audited financial statements for the selected investments: • MJ will review and provide a list of investments for which we'll be requesting audited financial statements • MJ will select certain investments transactions and provide you a list for which we'll be requesting valuation support | | | | | | |



PRICE PROPOSAL IN RESPONSE TO:

**AUDIT OF THE CITY OF AUSTIN
DEFERRED COMPENSATION PLAN
FINANCIAL SUMMARIES
RFQS 7400 JOG4000**

SUBMITTED TO:

**City of Austin
Jo Gutierrez**

Procurement Specialist III

DATE SUBMITTED:

May 18, 2020

FIRM CONTACT:

Mr. Eric Ernest, CPA, Partner

Tel: 713.968.1631

Email: EErnest@mjl.com



McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

4828 Loop Central Drive, Suite 1000

Houston, TX 77081

PH: 713.968.1600

FAX: 713.968.1601

www.mcconnelljones.com



May 18, 2020

Jo Gutierrez
Procurement Specialist III
City of Austin, Purchasing Office
124 W 8th Street, Rm 310
Austin, TX 78701

Dear Ms. Gutierrez:

On behalf of McConnell & Jones LLP (MJ or the Firm), we are pleased to respond to your request for a price proposal related to RFQS 7400 JOG4000 for The City of Austin ("The City").

We appreciate the opportunity to provide The City a comprehensive fee proposal. McConnell & Jones is excited for the opportunity to continue to work with The City. If awarded this important project, we will devote our best effort to continue to deliver a high-quality work product in a manner that is consistent with our reputation for responsiveness to our clients.

If you have any questions or comments, please contact me directly at 713-968-1631.

Eric Ernest, CPA
Partner



PRICE PROPOSAL

A. PRICE PROPOSAL FOR THE FIRST YEAR AS WELL AS FOR EACH OF THE POSSIBLE EXTENSION OPTIONS. INCLUDE THE TOTAL ESTIMATED HOURS AND ALL-INCLUSIVE, FIRM FIXED-RATE FOR THE FINANCIAL AUDIT AND REPORTING REQUIREMENTS REFERENCED IN SECTION 0500, SCOPE OF WORK. THE RATE SHALL INCLUDE SUPPLIES, MATERIALS, TRAVEL AND OTHER ITEMIZED DIRECT COST.

We have provided a maximum price relative to performing the audit engagement for The City of Austin Deferred Compensation Plan (the “Plan”) as described in in Section 0500, Scope of Work, of the request for qualification RFQS 7400 JOG4000 for the fiscal year ended December 31, 2019 and each fiscal year ending December 31, 2020 through 2023. The total maximum price contains all direct and indirect costs of performing the audit in conformance with applicable professional standards including all out-of-pocket expenses.

The following table presents a detailed break-up for annual audit services for The City for fiscal year ended December 31, 2019 as well as our proposed maximum price for fiscal year ending December 31, 2020 through 2023:

| AUDIT SERVICES | | | | |
|-----------------------------------|------------|---------------|-----------------|------------------|
| Labor Category | Hours | Standard Rate | Discounted Rate | Total |
| Partner | 10 | \$ 335 | \$ 235 | \$ 2,350 |
| Senior Manager | 20 | \$ 215 | \$ 150 | 3,000 |
| Supervisor (In Charge) | 62 | \$ 135 | \$ 95 | 5,890 |
| Senior Auditor | 110 | \$ 120 | \$ 85 | 9,350 |
| Staff Analyst | 10 | \$ 125 | \$ 85 | 850 |
| Total professional fees | 212 | | | \$ 21,440 |
| Out of pocket expenses | | | | 60 |
| Total maximum price (2019) | | | | \$ 21,500 |
| | | | | |
| Total maximum price (2020) | | | | \$ 21,500 |
| Total maximum price (2021) | | | | \$ 21,500 |
| Total maximum price (2022) | | | | \$ 21,500 |
| Total maximum price (2023) | | | | \$ 21,500 |

Although fees are not the sole factor in selecting independent auditors, we understand that you nonetheless expect your accounting firm to provide value and share your commitment to minimize external audit costs. We perceive our roles as advisors to our clients and encourage them to ask questions throughout the year that would affect their accounting and financial reporting practices, as well as internal policies and controls. We believe in providing high-quality assurance services at a fair price and work hard to minimize costs.

The above price for auditing fiscal years 2019 through 2023 assumes the following:

- We will **assist management prepare the Plan’s financial statements**. Our provision for any technical expertise and assistance, in our capacity as your external auditors, will be to the extent allowable so as to not impair our independence per the requirements of the professional standards.



- Our fees **offer approximately 30% discount** from our standard billing rates in line with our commitment to continue serving The City and establish a long-term relationship. **We are also proposing to keep our audit fee level the same for fiscal years 2019 through 2023** with an assumption that there will be no unanticipated changes in auditing and accounting standards, regulatory requirements, or significant changes in the activities of the Plan that would significantly increase the scope or amount of work required for the audit.

B. SUBMIT A PROPOSED PERCENTAGE TO THE TOTAL ESTIMATED HOURS FOR CHANGES IN STANDARDS WHICH MAY CAUSE A MATERIAL IMPACT (REFERENCE ITEM 7.0 OF SECTION 0500, SCOPE OF WORK).

In response to item 7.0 of Section 0500, Scope of Work, the impact of new professional standards issued subsequent to this RFQ will be negotiable only if there is a significant or “material” impact on audit hours needed to complete the engagement (defined as 10% or more impact to total hours or approximately 20 hours).

C. IN ADDITION, INCLUDE PROPOSED BILLING RATES BY STAFF LEVEL FOR ANY SPECIAL PROJECTS THAT YOUR FIRM MAY BE REQUESTED TO PERFORM ON AN AS-NEEDED BASIS.

We perceive our roles as advisors to our clients and will be available, as needed, by The City during the contract year(s) for any routine inquiries or critical research as questions arise on specific accounting and financial reporting matters. Except for inquiries that would require extensive research or significant amounts to complete, MJ will not bill The City for routine inquiries during the contract year(s).

For matters that will require extensive research or significant time, or for any special projects that may be requested from us on a need-basis, we will first discuss the project and associated costs with you to ensure a successful engagement. The following discounted billing rates will apply for fiscal year ended December 31, 2019. For subsequent fiscal years, these rates will be adjusted annually for inflation limited to the Consumer Price Index.

| Labor Category | Rate |
|----------------|--------|
| Partner | \$ 235 |
| Manager | \$ 150 |
| Supervisor | \$ 95 |
| Senior Auditor | \$ 85 |
| Staff Auditor | \$ 85 |
| Staff Analyst | \$ 85 |

In summary, we propose to provide high quality services at affordable costs. Our fees are sensitive to your need for great service at a fair price. We are excited about this opportunity to work with The City of Austin and take pride in our reputation for exceptionally high quality work and reliable client service. Thank you for the opportunity to present both our firm and our plans for your audit.

Sincerely,

Eric Ernest, CPA
Engagement Partner



City of Austin Purchasing Office

Certificate of Exemption for Professional Services, Public Health and Safety or Other Exempt Purchase (Competitive)

DATE: March 3, 2020

DEPT: FSD – Treasury Office

TO: Purchasing Officer or Designee

FROM: Gail Ray / Belinda Weaver

PURCHASING POC: Jo Gutierrez

PHONE: 512-974-7884

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Refer to Local Government Code 252.022 for a complete list of exemptions:

[Link to Local Government Code](#)

The City desires to seek responses from more than one vendor using an alternate procurement method selected by the City and declares this procurement to be exempt from the competitive solicitation procedures in Local Government Code Chapter 252.022. This Certificate of Exemption is hereby executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized and certifies that the following exemption is applicable to this procurement.

Please check the criteria listed below that applies to this request:

- ☐ A procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of a municipality.
- ☐ A procurement necessary to preserve or protect the public health or safety of the municipality's residents.
- ☐ A procurement necessary because of unforeseen damage to public machinery, equipment, or other property.
- ☒ A procurement of personal, professional, or planning services
- ☐ Other exemption from Chapter 252.022: _____

2. Describe this procurement (as applicable):

- What it is for and why it is needed?
- What public health and safety or other exempt attribute listed in Chapter 252.022 does this procurement contain?
- Describe if a specific procurement method is desired to collect vendor responses such as a solicitation directed to a specific group of prequalified vendors or other, evaluation stages throughout the solicitation, etc.

* The questions in the form are designed to justify why this purchase should be exempt from a competitive procurement process. Failure to provide adequate documentation to substantiate the request may lead to the request being rejected.

Q: What is it for and why is it needed?

A: The solicitation is for auditing services for the City of Austin's Deferred Compensation Plan Financial Summaries. The City is seeking a longer-term relationship with a CPA firm who has extensive experience in providing auditing services for similar retirement plans.

Q: What public health and safety or other exempt attribute listed in Chapter 252.022 does this procurement contain?

A: n/a

Q: Describe if a specific procurement method is desired to collect vendor responses such as a solicitation directed to a specific group of prequalified vendors or other, evaluation stages through the solicitation, etc.

A: Request for Qualifications Statement

3. Forward the completed and signed Certificate of Exemption to the Purchasing Office along with the following documentation:

☒ Scope of Work

☐ List of tasks, schedule of deliverables or milestones, and other supporting documentation

4. Check the contract type (one-time or multi-term) and fill in the estimated dollar amount and term as applicable:

☐ This is a one-time request for \$ _____

☒ This is a multi-term contract request for 24 months (for base term) in the amount of \$50,000 with 3-12 month renewal options for \$20,000 each for a total contract amount of \$110,000.

Recommended
Certification

Maile Ray 3/3/2020
Originator Date

Approved
Certification

Belinda Weaver 03/04/2020
Department Director or designee Date
(For Austin Energy, Deputy General Manager or designee)

Purchasing Office
Review

Jo Gutierrez DN: cn=Jo Gutierrez, o=City of Austin - Purchasing
Office, ou, email=jo.gutierrez@austintexas.gov, c=US
Date: 2020.06.09 10:59:50 -05'00'
Authorized Purchasing Office Staff Date

Purchasing Office
Management Review
(If required due to signature authority level)

Purchasing Officer or designee Date