

STATE OF NEW MEXICO
RETIREE HEALTH CARE AUTHORITY
REQUEST FOR PROPOSALS (RFP)
PROFESSIONAL AUDIT SERVICES



RFP#
26-343-0380-00001

RFP Release Date: April 21, 2025

Proposal Due Date: May 13, 2025

ELECTRONIC PROPOSAL SUBMISSION ONLY

Table of Contents

I. INTRODUCTION.....	5
A. PURPOSE OF THIS REQUEST FOR PROPOSALS	5
B. BACKGROUND INFORMATION.....	5
C. SCOPE OF PROCUREMENT.....	6
D. PROCUREMENT MANAGER.....	6
E. PROPOSAL DELIVERY	6
F. DEFINITION OF TERMINOLOGY.....	7
G. PROCUREMENT LIBRARY	10
II. CONDITIONS GOVERNING THE PROCUREMENT	11
A. SEQUENCE OF EVENTS.....	11
B. EXPLANATION OF EVENTS	11
1. Issue RFP.....	11
2. Acknowledgement of Receipt Form.....	11
3. Pre-Proposal Conference	12
4. Deadline to Submit Written Questions.....	12
5. Response to Written Questions	12
6. Submission of Proposal.....	12
7. Proposal Evaluation.....	13
8. Selection of Finalists	13
9. Oral Presentations.....	13
10. Best and Final Offers.....	13
11. Finalize Contractual Agreements.....	13
12. Contract Awards	13
13. Protest Deadline.....	144
C. GENERAL REQUIREMENTS.....	14
1. Acceptance of Conditions Governing the Procurement.....	14
2. Incurring Cost.....	14
3. Prime Contractor Responsibility	14
4. Subcontractors/Consent	14
5. Amended Proposals.....	155
6. Offeror’s Rights to Withdraw Proposal.....	15
7. Proposal Offer Firm.....	15
8. Disclosure of Proposal Contents	15
9. No Obligation.....	15
10. Termination.....	166
11. Sufficient Appropriation.....	166
12. Legal Review	16
13. Governing Law	16
14. Basis for Proposal.....	16
15. Contract Terms and Conditions.....	16
16. Offeror’s Terms and Conditions	177
17. Contract Deviations	17
18. Offeror Qualifications	17
19. Right to Waive Minor Irregularities	17
20. Change in Contractor Representatives	17
21. Notice of Penalties	17
22. Agency Rights.....	17
23. Right to Publish.....	17
24. Ownership of Proposals	188

26.	<i>Confidentiality</i>	18
27.	<i>Electronic mail address required</i>	18
28.	<i>Use of Electronic Versions of this RFP</i>	18
29.	<i>New Mexico Employees Health Coverage</i>	18
30.	<i>Campaign Contribution Disclosure Form</i>	199
31.	<i>Letter of Transmittal</i>	19
32.	<i>Disclosure Regarding Responsibility</i>	19
33.	<i>New Mexico/Native American Resident Preferences</i>	211
III. RESPONSE FORMAT AND ORGANIZATION		22
A.	NUMBER OF RESPONSES	22
B.	NUMBER OF COPIES	22
1.	<i>ELECTRONIC SUBMISSIONS ONLY</i>	22
C.	PROPOSAL FORMAT	23
1.	<i>Proposal Content and Organization</i>	23
IV. SPECIFICATIONS		25
A.	DETAILED SCOPE OF WORK	25
B.	TECHNICAL SPECIFICATIONS.....	26
1.	<i>Organizational Experience</i>	26
2.	<i>Organizational References</i>	26
3.	<i>Mandatory Specification</i>	27
C.	BUSINESS SPECIFICATIONS	28
1.	<i>Financial Stability</i>	28
2.	<i>Letter of Transmittal Form</i>	28
3.	<i>Campaign Contribution Disclosure Form</i>	28
4.	<i>Oral Presentation</i>	28
5.	<i>Cost</i>	29
6.	<i>Resident Business or Resident Veterans Preference</i>	29
V. EVALUATION		30
A.	EVALUATION POINT SUMMARY	30
B.	EVALUATION FACTORS	30
1.	<i>B.1 Organizational Experience (See Table 1)</i>	30
2.	<i>B.2 Organizational References (See Table 1)</i>	30
3.	<i>B.3 Mandatory Specifications</i>	31
4.	<i>C.1 Financial Stability (See Table 1)</i>	31
5.	<i>C.2 Letter of Transmittal (See Table 1)</i>	31
6.	<i>C.3 Campaign Contribution Disclosure Form (See Table 1)</i>	31
7.	<i>C.4 Oral Presentation (See Table 1)</i>	31
8.	<i>C.5 Cost (See Table 1)</i>	31
9.	<i>C.6. New Mexico Preferences</i>	31
C.	EVALUATION PROCESS	32
APPENDIX A		33
ACKNOWLEDGEMENT OF RECEIPT FORM		34
APPENDIX B		35
CAMPAIGN CONTRIBUTION DISCLOSURE FORM		36
APPENDIX C		38
DRAFT CONTRACT		38

SIGNATURE PAGE 45
APPENDIX D..... 46
COST RESPONSE FORM 47
APPENDIX E 47
LETTER OF TRANSMITTAL FORM 48
APPENDIX F 49
ORGANIZATIONAL REFERENCE QUESTIONNAIRE 50

I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The purpose of the Request for Proposal (RFP) is to solicit sealed proposals to establish a contract through competitive negotiations for the procurement of a Financial and Compliance audit and Schedule of Employer Allocations and OPEB Amounts by Employer audit. The New Mexico Retiree Health Care Authority (NMRHCA) invites proposals from qualified Independent Public Accountants (IPAs) duly licensed to practice in the State of New Mexico and similarly qualified in the view of government agencies to conduct the annual financial and compliance audit of the Authority's financial statements for the fiscal year ending June 30, 2025. The Department reserves the right to renew the initial contract annually for up to three (3) additional consecutive fiscal years, in accordance with Section 13-1-150 NMSA 1978 and the State Auditor's Rule (2.2.2.8 (B)(4) NMAC).

Pursuant to the Audit Act, Section 12-6-3 (A) NMSA 1978.

The financial affairs of every agency shall be thoroughly examined and audited each year by the state auditor, personnel of the state auditor's office designated by the state auditor or independent auditors approved by the state auditor. The comprehensive annual financial report for the state shall be thoroughly examined and audited each year by the state auditor, personnel of the state auditor's office designated by the state auditor or independent auditors approved by the state auditor. The audits shall be conducted in accordance with generally accepted auditing standards and rules issued by the state auditor.

B. BACKGROUND INFORMATION

The New Mexico Retiree Health Care Authority (NMRHCA) is a public entity established under the Retiree Health Care Act, Sections 10-7C-1 through 10-7C-19 NMSA 1978. The Authority's primary responsibility is to provide comprehensive insurance programs for eligible retirees and their dependents from participating public sector employers in New Mexico. NMRHCA offers medical, prescription drug, dental, vision, and life insurance coverage to approximately 66,000 members across the Medicare, Non-Medicare, and Voluntary plans.

NMRHCA is staffed by twenty-eight (28) full-time employees and governed by a 12-member Board of Directors, with two offices located in Albuquerque and Santa Fe. This Board consists of representatives from participating entities, retirees, active employees, and one member appointed by the Governor. The NMRHCA Board of Directors, along with the Legislature's allocation of governmental revenue on a "pay-as-you-go" basis, determines the financing for the program, primarily through setting premiums for retirees.

AGENCY FINANCIAL AND BUDGET INFORMATION

The Authority utilizes PeopleSoft (SHARE) as its financial accounting system. For Fiscal Year 2025, NMRHCA's current operating budget is \$406,196,900, with \$402,071,700 allocated to the Health Care Benefit Fund and \$4,125,200 allocated to the Program Support Fund.

OFFICE LOCATIONS:

Main Office:

New Mexico Retiree Health Care Authority
6300 Jefferson St. NE, Suite 150
Albuquerque, NM 87109

Santa Fe Office:
New Mexico Retiree Health Care Authority
33 Plaza La Prensa
Santa Fe, NM 87507

C. SCOPE OF PROCUREMENT

The scope of this procurement is to establish a professional services contract with a qualified offeror to conduct an annual financial and compliance audit, including GASB 74 and 75 reporting, for the Authority. The initial contract will be valid for one (1) year from the date of the award. NMRHCA reserves the option to extend the contract annually for up to three (3) additional years, or any portion thereof. Under no circumstances will the contract, including any amendments, exceed a total duration of four (4) years.

This RFP will be a single award.

This procurement will result in a contractual agreement between two parties; the procurement may **ONLY** be used by those two parties exclusively.

D. PROCUREMENT MANAGER

The New Mexico Retiree Health Care Authority has assigned a Procurement Manager who is responsible for the conduct of this procurement whose name, address, telephone number and e-mail address are listed below:

Name: Marisol Galvez, Procurement Manager
Telephone: (505) 222-6423
Email: Marisol.galvez@rhca.nm.gov

1. **Any inquiries or requests** regarding this procurement shall be submitted, in writing only, to the Procurement Manager. Offerors may contact **ONLY** the Procurement Manager regarding this procurement. Other state employees or Evaluation Committee members do not have the authority to respond on behalf of the NMRHCA.
2. **Protests of the solicitation or award must be submitted in writing to the Protest Manager identified in Section II.B.13.** As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, **ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule and this Request for Proposals.** Protests submitted or delivered to the Procurement Manager will **NOT** be considered properly nor submitted in time.

E. PROPOSAL DELIVERY

Submissions of all proposals must be submitted via email to Marisol.galvez@rhca.nm.gov on or before the deadline.

Refer to Section III.A & B for instructions.

**Include RFP name and RFP # in Subject Line
Reference RFP Name: Professional Audit Services 26-343-0380-00001*

F. DEFINITION OF TERMINOLOGY

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

1. “**Agency**” means the New Mexico Retiree Health Care Authority
2. “**Authority**” means the New Mexico Retiree Health Care Authority
3. “**Award**” means the final execution of the contract document.
4. “**Business Hours**” means weekdays (Monday – Friday) 8:00 AM thru 5:00 PM MST/MDT, whichever is in effect on the date given.
5. “**Close of Business**” means weekdays (Monday – Friday) 5:00 PM MST/MDT, whichever is in effect on the date given.
6. “**Confidential**” means confidential financial information concerning Offeror’s organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act §§57-3-A-1 through 57-3A-7, NMSA 1978. See also NMAC 1.4.1.45. The following items may **not** be labelled as confidential: Offeror’s submitted Cost response, Staff/Personnel Resumes/Bios (excluding personal information such as personal telephone numbers and/or home addresses), and other submitted data that is **not** confidential financial information or that qualifies under the Uniform Trade Secrets Act.
7. “**Contract**” means any agreement for the procurement of items of tangible personal property, services or construction.
8. “**Contractor**” means any business having a contract with a state agency or local public body.
9. “**Determination**” means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.
10. “**Electronic Submission**” means a successful submittal of Offeror’s proposal to the procurement manager via email Marisol.galvez@rhca.nm.gov, in such cases where email submissions are accepted.
11. “**Electronic Version/Copy**” means a digital form consisting of text, images or both readable on computers or other electronic devices that includes all content that the Original and Hard Copy proposals contain. The electronic version/copy must be emailed.
12. “**Evaluation Committee**” means a body appointed to perform the evaluation of Offerors’ proposals.
13. “**Evaluation Committee Report**” means a report prepared by the Procurement Manager and the Evaluation Committee to support the Committee’s recommendation for contract award. It will contain scores and written evaluations of all responsive Offeror proposals.

14. “**Final Award**” means, in the context of this Request for Proposals and all its attendant documents, that point at which the final required signature on the contract(s) resulting from the procurement has been affixed to the contract(s) thus making it fully executed.
15. “**Finalist**” means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee, as explained in Section II.B.8.
16. “**IPA**” means Independent Public Accountant. In accordance with Audit Rule 2024, only Certified Public Accountants (CPAs) holding a current permit to practice, issued by The New Mexico State Board of Public Accountancy, and whose firm is registered with the Board shall audit financial statements.
17. “**Hourly Rate**” means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.
18. “**IT**” means Information Technology.
19. “**Mandatory**” – the terms “must, shall, will, is required,” or “are required,” identify a mandatory item or factor. Failure to meet a mandatory item or factor may result in the rejection of the Offeror’s proposal.
20. “**Minor Irregularities**” means anything in the proposal that does not affect the price, quality and/or quantity, or any other mandatory requirement.
21. “**NMRHCA**” means the New Mexico Retiree Health Care Authority.
22. “**Offeror**” is any person, corporation, or partnership who chooses to submit a proposal.
23. “**Office of the State Auditor or OSA**” means the Auditor for the State of New Mexico or a designated representative of the State Auditor.
24. “**Price Agreement**” means a definite quantity contract or indefinite quantity contract which requires the contractor to furnish items of tangible personal property, services or construction to a state agency or a local public body which issues a purchase order, if the purchase order is within the quantity limitations of the contract, if any.
25. “**Procurement Manager**” means any person or designee authorized by a state agency or local public body with the responsibility, authority, and resources to conduct the RFP procurement, make written determinations regarding the RFP procurement, and/or enter into or administer contracts as a result of the RFP procurement.
26. “**Procuring Agency**” means all State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law to procure items of tangible personal property, services or construction from the agreement(s) awarded as a result of this RFP.
27. “**Project**” means a temporary process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved, and project acceptance is given by the project executive sponsor.

28. **“Redacted”** means a version/copy of the Offeror’s proposal with the information considered proprietary or confidential (as defined by §§57-3A-1 to 57-3A-7 NMSA 1978 and NMAC 1.4.1.45 and summarized herein and outlined in Section II.C.8 of this RFP) blacked-out BUT NOT omitted or removed.
29. **“Request for Proposals (RFP)”** means all documents, including those attached or incorporated by reference, used for soliciting proposals.
30. **“Responsible Offeror”** means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production or service facilities, personnel, service reputation and experience are adequate to make satisfactory delivery of the services, or items of tangible personal property described in the proposal.
31. **“Responsive Offer”** or means an offer which conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to price, quality, quantity or delivery requirements.
32. **“SHARE”** means the New Mexico Statewide Human Resource, Accounting, and Management Reporting System.
33. **“Single Source Award”** means an award of contract for items of tangible personal property, services or construction to only one Offeror.
34. **“SPD”** means State Purchasing Division of the New Mexico State General Services Department.
35. **“Staff”** means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors’ company.
36. **“State (the State)”** means the State of New Mexico.
37. **“State Agency”** means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the Purchasing Division of the General Services Department and the State Purchasing Agent but does not include local public bodies.
38. **“State Purchasing Agent”** means the Director of the Purchasing Division of the General Services Department.
39. **“Statement of Concurrence”** means an affirmative statement from the Offeror indicating its response to a required Section IV specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal, pursuant to Section III.C.1. (E.g. “We concur,” “Understands and Complies,” “Comply,” “Will Comply if Applicable,” etc.)
40. **“Unredacted”** means a version/copy of the proposal containing all complete information; including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.

41. **“Written”** means typewritten on standard 8 ½ x 11-inch paper. Larger paper is permissible for charts, spreadsheets, etc.

G. PROCUREMENT LIBRARY

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

Electronic version of the RFP, Questions & Answers, RFP Amendments, etc. will all be posted to the website below.

The New Mexico Retiree Health Care Authority (NMRHCA) www.nmrhca.org

II. CONDITIONS GOVERNING THE PROCUREMENT

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

A. SEQUENCE OF EVENTS

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

Action	Responsible Party	Due Dates
1. Issue RFP	Authority	April 21, 2025
2. Acknowledgement of Receipt Form	Potential Offerors	April 30, 2025
3. Pre-Proposal Conference	Authority	N/A
4. Deadline to submit Written Questions	Potential Offerors	May 2, 2025
5. Response to Written Questions	Procurement Manager	May 6, 2025
6. Submission of Proposal	Potential Offerors	May 13, 2025
7.* Proposal Evaluation	Evaluation Committee	May 22, 2025
8.* Selection of Finalists	Evaluation Committee	May 20, 2025
9.* Oral Presentation(s)	Finalist Offerors	May 22, 2025
10.* Best and Final Offers	Finalist Offerors	May 22, 2025
11.* Finalize Contractual Agreements	Agency/Finalist Offerors	June 2, 2025
12.* Contract Awards	Authority/ Finalist Offerors	TBD
13.* Protest Deadline	Authority	+15 days from Contract Award

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

B. EXPLANATION OF EVENTS

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

1. Issue RFP

This RFP is being issued on behalf of the New Mexico Retiree Health Care on the date indicated in Section II.A, Sequence of Events. It will be available on the indicated date on the NMRHCA website at <http://www.nmrhca.org/> by selecting the “Request for Proposals’ link”.

2. Acknowledgement of Receipt Form

Potential Offerors may e-mail the Acknowledgement of Receipt Form (APPENDIX A), to the Procurement Manager, Marisol Galvez, Marisol.galvez@rhca.nm.gov , to have their organization placed on the procurement Distribution List. The form must be returned to the Procurement Manager by 3:00 PM MST/ MDT on the date indicated in Section II.A, Sequence of Events

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

3. Pre-Proposal Conference

A pre-proposal conference will not be held as indicated in Section II.A, Sequence of Events, as not applicable.

4. Deadline to Submit Written Questions

Potential Offerors may submit written questions to the Procurement Manager as to the intent or clarity of this RFP until 5:00 PM MST/MDT as indicated in Section II.A, Sequence of Events. All written questions must be addressed to the Procurement Manager as declared in Section I.D. Questions shall be clearly labeled and shall cite the Section(s) in the RFP or other document which forms the basis of the question.

5. Response to Written Questions

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

The Questions and Answers will be posted to: <http://www.nmrhca.org/>

6. Submission of Proposal

Currently, only **electronic** proposal submission is allowed. **Do not** submit hard copies until further notice.

ALL PROPOSALS MUST BE RECEIVED BY THE PROCUREMENT MANAGER OR DESIGNEE NO LATER THAN 3:00 PM MST/MDT ON THE DATE INDICATED IN SECTION II.A, SEQUENCE OF EVENTS. **NO LATE PROPOSAL CAN BE ACCEPTED.**

*It is the Offeror's responsibility to ensure all documents are completely uploaded and submitted electronically via email by the deadline set forth in this RFP. Please ensure that you, as the Offeror, allow adequate time for large uploads and to fully complete your submittal by the deadline. A submission that is not both: (1) fully complete; and (2) received, via the email by the deadline, will be deemed late. Further, a submission that is not fully complete and received via email by the deadline because the response was captured, blocked, filtered, quarantined, or otherwise prevented from reaching the proper destination server by any anti-virus or other security software will be deemed late. In accordance with statute and rule, **NO LATE PROPOSAL CAN BE ACCEPTED.***

Proposals must be addressed and delivered to the Procurement Manager at the address identified in Section I.E via email. Proposals submitted by facsimile, or other electronic means other than via Marisol.galvez@rhca.nm.gov, will not be accepted.

A log will be maintained listing the names of all Offeror organizations that submitted proposals. In accordance with §13-1-116 NMSA 1978, the contents of proposals will not be disclosed to competing Offerors during the negotiation process. The negotiation process remains in effect until the contract is

awarded pursuant to this Request for Proposals. For the purposes of this process, 'awarded' refers to the final required state agency signature on the contract(s) resulting from the procurement.

7. Proposal Evaluation

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

8. Selection of Finalists

The Evaluation Committee will select finalists, and the Procurement Manager will notify the finalist Offerors as per the schedule Section II.A, Sequence of Events or as soon as possible thereafter. A schedule for Oral Presentation, if any, will be determined at this time. Finalists will be comprised of the top Offerors receiving the highest cumulative scores in the following Sections:

Section IV.B.1 Organizational Experience, Section IV.B.2 Organizational References, and Section IV.B.3 Mandatory Specifications.

9. Oral Presentations

Finalist Offerors, as selected per Section II.B.8 above, may be required to conduct an oral presentation at a venue to be determined as per schedule Section II.A., Sequence of Events, or as soon as possible thereafter. If Oral Presentations are held, Finalist Offerors may be required to make their presentations through electronic means (Microsoft Teams, Zoom, etc.). The Agency will provide Finalist Offerors with an agenda and applicable details, including an invitation to the event. Whether or not Oral Presentations will be held is at the sole discretion of the Evaluation Committee.

10. Best and Final Offers

Finalist Offerors may be asked to submit revisions to their proposals for the purpose of obtaining best and final offers by as per schedule Section II. A., Sequence of Events or as soon as possible. Best and final offers may also be clarified and amended at the finalist Offeror's Oral Presentation.

11. Finalize Contractual Agreements

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

12. Contract Awards

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

13. Protest Deadline

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

Jess Biggs, Communications Director/Protest Manager
jess.biggs@rhca.nm.gov

PROTESTS RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED

C. GENERAL REQUIREMENTS

1. Acceptance of Conditions Governing the Procurement

Offerors must indicate their acceptance to be bound by the Conditions Governing the Procurement, Section II.C, and Evaluation, Section V, by completing and signing the Letter of Transmittal form, pursuant to the requirements in Section II.C.30, located in APPENDIX E. Submission of a proposal constitutes acceptance by the firm of the conditions contained in this RFP and the New Mexico State Auditor's Rule 2.2.2 NMAC.

2. Incurring Cost

Any cost incurred by the potential Offeror in preparation, transmittal, and/or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Offeror. Any cost incurred by the Offeror for set up and demonstration of the proposed equipment and/or system shall be borne solely by the Offeror.

3. Prime Contractor Responsibility

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

4. Subcontractors/Consent

The use of subcontractors is allowed. OSA Contract Section 8 requires that subcontractors be CPAs. IPAs MUST also be CPAs in accordance with Rule 2.2.2.8 NMAC.

The prime contractor shall be wholly responsible for the entire performance of the contractual agreement whether or not subcontractors are used. Additionally, the prime contractor must receive approval, in writing, from the State Auditor, before any subcontractor is used during the term of this agreement. The contractor may subcontract with IPAs who have submitted a completed and approved firm profile to the State Auditor pursuant to 2.2.2.8 NMAC.

5. Amended Proposals

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

6. Offeror's Rights to Withdraw Proposal

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

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

7. Proposal Offer Firm

Responses to this RFP, including proposal prices for services, will be considered firm for one-hundred twenty (120) days after the due date for receipt of proposals or ninety (90) days after the due date for the receipt of a best and final offer, if the Offeror is invited or required to submit one.

8. Disclosure of Proposal Contents

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

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

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

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

9. No Obligation

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

10. Termination

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

11. Sufficient Appropriation

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

12. Legal Review

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

13. Governing Law

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

14. Basis for Proposal

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

15. Contract Terms and Conditions

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

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

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

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

If an Offeror fails to propose any alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror), no proposed alternate terms and conditions will

be considered later during the negotiation process. Failure to propose alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror) is an **explicit agreement** by the Offeror that the contractual terms and conditions contained herein are **accepted** by the Offeror.

16. Offeror's Terms and Conditions

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

17. Contract Deviations

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

18. Offeror Qualifications

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

19. Right to Waive Minor Irregularities

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

20. Change in Contractor Representatives

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

21. Notice of Penalties

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

22. Agency Rights

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

23. Right to Publish

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

24. Ownership of Proposals

All documents submitted in response to the RFP shall become property of the State of New Mexico. If the RFP is cancelled, all responses received shall be destroyed by the Agency or SPD unless the Offeror either picks up, or arranges for pick-up, the materials within three (3) business days of notification of the cancellation. Offeror is responsible for all costs involved in return mailing/shipping of proposals.

25. New Mexico State Auditor's Rule 2.2.2 NMAC

Firms submitting proposals must comply with the New Mexico State Auditor's Rule 2.2.2 NMAC as issued by the New Mexico State Auditor. A copy of the rule may be obtained at www.osa.nm.gov.

26. Confidentiality

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

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

27. Electronic mail address required

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

28. Use of Electronic Versions of this RFP

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

29. New Mexico Employees Health Coverage

- A. If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.
- B. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the state.
- C. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information <https://bewellnm.com>.
- D. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these

requirements shall apply the first day of the second month after the Offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000.

30. Campaign Contribution Disclosure Form

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

31. Letter of Transmittal

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

Provide the following information:

1. Identify the submitting business entity; Name, Mailing Address, Phone Number, Federal Tax ID Number (TIN), and New Mexico Business Tax ID Number (BTIN, formerly CRS);
2. Identify the Name, Title, Telephone, and E-mail address of the person authorized by the Offeror's organization to (A) contractually obligate the business entity providing the Offer, (B) negotiate a contract on behalf of the organization; and/or (C) provide clarifications or answer questions regarding the Offeror's proposal content (*A response to B and/or C is only necessary if the responses differs from the individual identified in A*);
3. Identify any subcontractor/s that may be utilized in the performance of any resultant contract award;
4. Identify any other entity/-ies (such as State Agency, reseller, etc., that is not a sub-contractor identified in #3) that may be used in the performance of this awarded contract; and
5. The individual identified in #2 above, must sign and date the form, attesting to the veracity of the information provided, and acknowledging (a) the organization's acceptance of the Conditions Governing the Procurement stated in Section II.C.1, (b) the organization's acceptance of the Section V Evaluation Factors, and (c) receipt of any and all amendments to the RFP.

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

32. Disclosure Regarding Responsibility

- A. Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars (\$60,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company:
 1. is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;
 2. has within a three-year period preceding this offer, been convicted in a criminal matter or had a civil judgment rendered against them for:
 - a. the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract;
 - b. violation of Federal or state antitrust statutes related to the submission of offers; or

- c. the commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property;
 3. is presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with the commission of any of the offenses enumerated in paragraph A of this disclosure;
 4. has, preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds \$3,000.00 of which the liability remains unsatisfied. Taxes are considered delinquent if the following criteria apply.
 - a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
 - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
 - c. Have within a three-year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.)
- B. Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.
- C. The Contractor shall provide immediate written notice to the State Purchasing Agent or other party to this Agreement if, at any time during the term of this Agreement, the Contractor learns that the Contractor's disclosure was at any time erroneous or became erroneous by reason of changed circumstances.
- D. A disclosure that any of the items in this requirement exist will not necessarily result in termination of this Agreement. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Agreement. Failure of the Contractor to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.
- E. Nothing contained in the foregoing shall be construed to require establishment of a system of records to render, in good faith, the disclosure required by this document. The knowledge and information of a Contractor is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.
- F. The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts during the term of this Agreement. If during the performance of the contract, the Contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the Contractor must provide immediate written notice to the State Purchasing Agent or other party to this Agreement. If it is later determined that the Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further the State Purchasing Agent or Central Purchasing Officer may suspend or debar the Contractor from eligibility for future solicitations until such time as the

matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

33. New Mexico/Native American Resident Preferences

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

In accordance with §13-1-21(H) NMSA 1978, an agency shall not award any combination of New Mexico/Native American Resident Preferences.

The New Mexico/Native American Resident Preferences shall not apply if the expenditures for this RFP includes federal funds.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

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

B. NUMBER OF COPIES

1. ELECTRONIC SUBMISSIONS ONLY

Proposals in response to this RFP must be submitted through NMRHCA's procurement manager's email address ONLY: (Marisol.galvez@rhca.nm.gov) The Offeror need only submit one single electronic copy of each portion of its proposal (Technical and Cost) as outlined below.

EXCEPTION: Single electronic files that exceed 50mb may be submitted as multiple uploads, which must be the least number of uploads necessary to fall under the 50mb limit. Separate the proposals as described below into separate electronic files for submission.

Proposals must be submitted in the manner outlined below. Technical and Cost portions of Offerors proposal must be submitted in separate uploads as indicated below in this section, and must be prominently identified as "Technical Proposal," or "Cost Proposal," on the front page of each upload.

Offerors **must** submit:

- a) Technical Proposals – One (1) ELECTRONIC upload must be organized in accordance with Section III.A.1. Proposal Format. All information for the Technical Proposal must be combined into a single file/document for uploading. *EXCEPTION: Single electronic files that exceed 50mb may be submitted as multiple uploads, which must be the least number of uploads necessary to fall under the 50mb limit. The Technical Proposals SHALL NOT contain any cost information.*
 - i. Confidential Information: If Offeror's proposal contains confidential information, as defined in Section I.F.6 and detailed in Section II.C.8, Offeror **must** submit **two** (2) separate ELECTRONIC technical files:
 - One (1) ELECTRONIC version of the requisite proposals identified in Section III.B.1.a above as **unredacted** (def. Section I.F.40) versions for evaluation purposes; **and**
 - One (1) **redacted** (def. Section I.F.28) ELECTRONIC for the public file, in order to facilitate eventual public inspection of the non-confidential version of Offeror's proposal. Redacted versions **must** be clearly marked as "REDACTED" or "CONFIDENTIAL" on the first page of the electronic file.
- b) Cost Proposals – One (1) ELECTRONIC upload of the proposal containing ONLY the Cost Proposal. All information for the cost proposal must be combined into a single file/document for uploading. *EXCEPTION: Single electronic files that exceed 50mb may be submitted as multiple uploads, which must be the least number of uploads necessary to fall under the 50mb limit.*

The ELECTRONIC proposal submission **must be fully submitted via e-mail** by the submission deadline in Section II.B.6.

It is the Offeror's responsibility to ensure all documents are completely uploaded and submitted electronically via NMRHCA's procurement manager's email Marisol.galvez@rhca.nm.gov by the deadline set forth in this RFP.

Please ensure that you, as the Offeror, **allow adequate time for large uploads and to fully complete your submittal by the deadline.** A submission that is not both: (1) fully complete; and (2) received, will be deemed late. Further, a submission that is not fully complete and received by the deadline because the response was captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any anti-virus or other security software will be deemed late. In accordance with statute and rule, **NO LATE OFFER CAN BE ACCEPTED.**

Any proposal that does not adhere to the requirements of this Section and **Section III.C.1 Proposal Content and Organization**, may be deemed non-responsive and rejected on that basis.

C. PROPOSAL FORMAT

All proposals must be submitted as follows:

Organization of files/envelopes for electronic copy proposals:

1. Proposal Content and Organization

All proposals must be submitted as follows:

Direct reference to pre-prepared or promotional material may be used if referenced and clearly marked. Promotional material must be minimal. Within each section of the proposal, Offerors must organize and address the RFP requirements in the order indicated below. All forms provided in this RFP must be thoroughly completed and included in the appropriate section of the Offeror's proposal.

Any and all discussion of proposed costs, rates or expenses must occur ONLY in the Cost Proposal.

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

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

- e. Financial Stability (Financial information considered confidential, as defined in Section I.F.5 and detailed in Section II.C.8, should be placed in the **Confidential Information** file, per Section III.B.1.a.i, as applicable)
 - f. Performance Surety Bond (if applicable)
 - g. New Mexico/Native American Resident Preferences (if applicable)
8. Other Supporting Material (if applicable)

Cost Proposal:

1. Completed Cost Response Form (APPENDIX D)

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

A Proposal Summary may be included in Offeror's Technical Proposal, to provide the Evaluation Committee with an overview of the proposal; however, this material will not be used in the evaluation process unless specifically referenced from other portions of the Offeror's proposal.

DO NOT INCLUDE COST INFORMATION IN THE PROPOSAL SUMMARY.

IV. SPECIFICATIONS

A. DETAILED SCOPE OF WORK

SCOPE OF WORK SUMMARY

The awarded contractor shall:

- a. Conduct the audit in accordance with generally accepted auditing standards including compliance with pertinent State Statutes, Rules and Regulations, and the New Mexico State Auditor's Rule codified at 2.2.2 NMAC. Such as but not limited to Financial and Compliance Audit, Financial Statement Audit, Financial Statement Preparation and Notes as included in Section 2.2.2.10 NMAC.
- b. Begin the audit on the approval date issued by the State Purchasing Department, Contract Review Bureau and end on June 30, 2026. The Term of the contract shall be for one year with the option to extend for three successive one-year terms, terms and conditions as was stated in the original multi-year proposal. Exercising such option to extend must be by mutual agreement of the parties to the contract and with the approval of the State Auditor and the State Purchasing Department, Contract Review Bureau (SPD/CRB).
- c. Conduct the audit of Schedules of Employer Allocations and OPEB Amounts by Employer – Financial Reporting for Postemployment Benefits Other Than Pension Plans, GASB 74 required by Section 2.2.2.10C. NMAC 1978. Also, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, GASB 75. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditures. For benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The services shall include the Preparation of Employer Allocation Tables and the OPEB Reporting Guide.
- d. Complete the audits and have the required number of copies of the annual financial audit report and schedules of employer allocations report delivered to the Office of the State Auditor by 11:59 PM on November 27, 2025, and June 15, 2026, respectively, in accordance with New Mexico Office of the State Auditor Rule 2.2.2.9 NMAC. For the fiscal year ending June 30, 2025, the Authority plans to present the draft of the final audit report to the Audit Committee Board Members at a designated meeting scheduled in November. A final presentation upon approval from the Office of the State Auditor will be conducted at the following regularly scheduled Board meeting.
- e. Prepare NMRHCA financial statements, including the Statement of Net Position and Statement of Changes in Net Position, ensuring independence is maintained throughout the process.
- f. Provide technical assistance as requested by the Authority through the year(s) with regard to accounting transactions, generally accepted accounting principles, tax-related questions, and reporting requirements as deemed appropriate by the Authority staff.

B. TECHNICAL SPECIFICATIONS

1. Organizational Experience

Offeror **must**:

- a) provide a detailed description of relevant corporate experience in the area of state and local government fiscal and compliance audits. In addition, the offeror must specifically identify experience in auditing Other Postemployment Benefits Other Than Pension Plans such as GASB 74 and 75. The experience of all proposed subcontractors must be described. The narrative **must** thoroughly describe how the Offeror has supplied expertise for similar contracts and must include the extent of their experience, expertise and knowledge as a provider of audit services.
- b) offeror must provide a list and description of any legal action, administrative proceeding, disciplinary action or complaint, whether formal or informal, initiated or made in connection with the professional services of the Offeror, its personnel and each of its subcontractors in the prior three (3) years by any person or entity, including any professional association, state or federal board or commission, or other regulatory body. The list and description shall include the current status or final disposition of each such action.
- c) provide a brief bio of any key personnel not identified under on-site manager or personnel Offeror proposes to use in performance of the resulting contract, should Offeror be awarded. Key personnel are identified as Partner, Senior Manager, Manager, Audit Associate, and designated Audit Team. Offeror must include key personnel education, work experience, and relevant/applicable certifications/licenses.
- d) indicate how many government audit services have been performed in the last two years and what percentage of business revenue is derived from such government audit services engagements; and
- e) describe at least two project successes and two project failures from previous audit engagements. Include how each experience improved the Offeror's services.

2. Organizational References

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

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

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

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

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

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

3. Mandatory Specification

Failure to meet a mandatory specification will result in the disqualification of the proposal.

a) On-Site Manager and Other On-Site Personnel

Offeror must provide the names and resumes/profiles of the on-site manager and other personnel who will be involved in performing the audit, along with a list of Continuing Professional Education (CPE) courses completed in the last three (3) years. Offerors must comply with the continuing professional education requirements outlined in section 2.2.2.14 of the NMAC Audit Rule.

- Response to include a detailed description of Offeror's knowledge, experience, and process to be taken to perform test work such as but not limited to cash, investments, expense, revenues, and notes to the financial statements, etc
- Include summary of action to be taken to ensure the high-quality control for the field work, analysis, and final product submission.

b) External Quality Control Review

Offeror must submit a copy of the most recent external quality control review conducted in accordance with Section 14.B of 2.2.2 NMAC, including the corresponding management letter. The external quality control review must indicate the date it was performed and the names of the reviewers.

c) Technical Plan

Offeror must propose a detailed technical plan for performing the audit. This plan should include start and end dates, as well as estimated time to complete major audit segments (planning, interim fieldwork, fieldwork, and reporting). The offeror should also outline its plans for involving NMRHCA staff throughout the audit engagement.

- Include in the plan the approach to ensure timely exit conference with the Authority's Audit Committee and Board of Directors.
- Actions to be taken to complete the audit and deliver the audit report to the New Mexico State Auditor on time.
- Summary of process to address and follow-up in the findings and recommendations resulting from any forensic, special or investigation report issued by the New Mexico State Auditor or any state, federal or other oversight agency.

d) Technical Requirements

Minimum Qualifications

- a. Offeror must be registered with the New Mexico State Board of Public Accountancy and hold a current permit as a certified public accountant firm.
- b. Offeror must have submitted a complete, accepted, and approved firm profile to the State Auditor in accordance with 2.2.2 NMAC, Section 8. A. Offeror must be a current approved firm on the State Auditor's list of approved firms for financial audits.
- c. A statement concurring that the audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, Cost Principles, and Audit Requirements for Federal Awards, and Requirements for Contracting and Conducting Governmental Audits (NMAC Section 2.2.2.1, et seq.).
- d. Offeror must include a statement as to its independence with respect to NMRHCA.

C. BUSINESS SPECIFICATIONS

1. Financial Stability

Offerors are required to submit copies of their most recent independently audited financial statements, along with the latest 10-K report and financial statements for the previous three years, if available. The submission should include the audit opinion, balance sheet, income statement, statement of retained earnings, cash flow statement, and notes to the financial statements. If independent audit statements are not available, the Offeror must provide an explanation and submit alternative supporting documentation (e.g., a D&B report).

2. Letter of Transmittal Form

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

3. Campaign Contribution Disclosure Form

The Offeror must complete an unaltered Campaign Contribution Disclosure Form and submit a signed copy with the Offeror's proposal. This must be accomplished whether or not an applicable contribution has been made. (See APPENDIX B).

Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.

4. Oral Presentation

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

5. Cost

Offerors must complete the Cost Response Form in APPENDIX D. Cost will be measured based on an hourly composite rate, with a breakdown of hours and costs for each of the four (4) years. The hourly composite rate should include the following components:

- a. Personnel services, fringe benefits, overhead costs for both contractor and subcontractor personnel, and
- b. Any travel and lodging expenses.

Offeror must submit a completed Appendix D, Cost Response Form, detailing the cost proposal. Gross receipts taxes must be listed separately on the Cost Proposal Form.

6. Resident Business or Resident Veterans Preference

To ensure application of § 13-1-21 NMSA 1978 (as amended), an Offeror **MUST** submit a copy, in this section, of its valid New Mexico/Native Resident Preference Certificate or its valid New Mexico/Native American Resident Veteran Preference Certificate, as issued by the New Mexico Taxation and Revenue Department.

V. EVALUATION

A. EVALUATION POINT SUMMARY

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

Evaluation Factors <i>(Correspond to Sections IV.B and IV.C)</i>	Points Available
B. Technical Specifications (650 Total Points)	
B. 1. Organizational Experience	300
B. 2. Organizational References	75
B. 3. Mandatory Specification	275
C. Business Specifications (400 Total Points)	
C.1. Financial Stability	Pass/Fail
C.2. Letter Of Transmittal	Pass/Fail
C.3. Campaign Contribution Disclosure Form	Pass/Fail
C. 4. Oral Presentations	150
C.5. Cost	200
TOTAL POINTS AVAILABLE	1,000
C.6. New Mexico / Native American Resident Preference	80
C.6. New Mexico / Native American Resident Veteran Preference Points per Section IV C.6	100

Table 1: Evaluation Point Summary

B. EVALUATION FACTORS

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

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

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

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

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

3. B.3 Mandatory Specifications

Points will be awarded based on adherence to the mandatory requirements outlined in the RFP. Proposals that are considered non-responsive will be excluded from further evaluation.

4. C.1 Financial Stability (See Table 1)

Pass/Fail only. No points assigned.

5. C.2 Letter of Transmittal (See Table 1)

Pass/Fail only. No points assigned.

6. C.3 Campaign Contribution Disclosure Form (See Table 1)

Pass/Fail only. No points assigned.

7. C.4 Oral Presentation (See Table 1)

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

8. C.5 Cost (See Table 1)

The evaluation of each Offeror’s cost proposal will be conducted using the following formula: the total budget for all four years will be combined to determine the Cost score.

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

9. C.6. New Mexico Preferences

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

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

If an Offeror has provided a copy of its New Mexico Resident Preference Certificate or Native

American Resident Preference Certificate, the points awarded will be calculated as 8% of the total points available in this RFP.

B. New Mexico/Native American Resident Veteran Preference

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

C. EVALUATION PROCESS

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

APPENDIX A

ACKNOWLEDGEMENT OF RECEIPT FORM

APPENDIX A

REQUEST FOR PROPOSAL

Audit Services
26-343-0380-00001

ACKNOWLEDGEMENT OF RECEIPT FORM

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

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

ORGANIZATION: _____

CONTACT NAME: _____

TITLE: _____ PHONE NO.: _____

E-MAIL: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

Submit Acknowledgement of Receipt Form to:
To: Marisol Galvez
E-mail: marisol.galvez@rhca.nm.gov
Subject Line: Professional Audit Services 26-343-0380-00001

APPENDIX B

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

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

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to Section [13-1-181](#) NMSA 1978 or a contract that is executed may be ratified or terminated pursuant to Section [13-1-182](#) NMSA 1978 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

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

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

The following definitions apply:

“Applicable public official” means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

“Campaign Contribution” means a gift, subscription, loan, advance or deposit of money or other thing(s) of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without

compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

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

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

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

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

Name(s) of Applicable Public Official(s) if any: Gov Michelle Lujan Grisham and Lt. Gov. Howie Morales

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s) _____

Nature of Contribution(s) _____

Purpose of Contribution(s) _____

(Attach extra pages if necessary)

Signature

Date

Title (position)

--OR--

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

Signature

Date

Title (Position)

APPENDIX C
DRAFT CONTRACT

Contract No. _____

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

hereinafter referred to as the Agency,"

and

hereinafter referred to as the "Contractor," agree:

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

1. **SCOPE OF WORK** (Include in Paragraph 25 any expansion of scope)
 - A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year **2024** in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act, Sections 12-6-1 through 12-6-15, NMSA 1978, and the Audit Rule (Section 2.2.2.1 NMAC *et seq.*).

2. **DELIVERY AND REPRODUCTION**
 - A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the documents required by Section 2.2.2.9 NMAC to the State Auditor no later than **sixty days** after the Financial Control Division of the Department of Finance and Administration (FCD of DFA) provides the State Auditor with notice that the Agency's books and records are ready and available for audit, and in any event no later than the deadline set forth for the Agency in Section 2.2.2.9 NMAC.

 - B. In accordance with FCD requirements, the Agency, with the help of the Contractor, shall identify a schedule of audit deliverables and agreed-to-agree to milestones for the audit to ensure that the Agency's books and records are ready and available for audit and the Contractor delivers services on time. The deadline of sixty days shall be based on the schedule of audit deliverables and agreed upon milestones; however, the deadline **shall not extend beyond the deadline set forth for the Agency in Section 2.2.2.9 NMAC.**

- C. Reports delivered electronically by 5:00 p.m. of the Agency's due date will be considered received by the due date for purposes of Section 2.2.2.9 NMAC. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with Section 2.2.2.13 NMAC. If the State Auditor does not receive copies of the management representation letter, and the completed Report Review Guide with the audit report or prior to delivery of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor in accordance with Section 2.2.2.9 NMAC.
- E. Pursuant to Section 2.2.2.10 NMAC, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- F. After its review of the audit report pursuant to Section 2.2.2.13 NMAC, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, and any other required electronic schedule (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver — copies of the audit report to the Agency. The Agency or IPA shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

3. COMPENSATION

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed \$_____ including applicable gross receipts tax.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.

C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	\$
(2) Federal single audit	\$
(3) Financial statement preparation	\$
(4) Other non-audit services, such as depreciation schedule updates	\$

(5) Other (i.e., foundations or other component units, specifically identified)	\$
---	----

Gross Receipts Tax = \$
Total Compensation = \$_____ including
applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; pursuant to Section 2.2.2.8(M)(3) NMAC; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. If requested by the State Auditor, the Agency shall provide a copy of the progress billings. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. **TERM.** THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE STATE AUDITOR AND THE NEW MEXICO GENERAL SERVICES DEPARTMENT/CONTRACTS REVIEW BUREAU. Unless terminated pursuant to Paragraphs 5 or 19. This Contract shall terminate one calendar year after the date on which it is signed by the General Services Department/Contracts Review Bureau.

5. **TERMINATION, BREACH AND REMEDIES**

- A. This Contract may be terminated:
 - 1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
 - 2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
 - 3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
 - 4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.
- B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be

entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

- C. Pursuant to Section 2.2.2.8 NMAC, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.
- D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES

6. STATUS OF CONTRACTOR

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

7. ASSIGNMENT

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

8. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid.

Pursuant to Section 2.2.2.8 NMAC, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the State Auditor from entering into such a contract.

9. RECORDS

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a

period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. **RELEASE**

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. **CONFIDENTIALITY**

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

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

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

13. **CONFLICT OF INTEREST**

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, *et seq.*, NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

14. **INDEPENDENCE**

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards*, issued by the Comptroller General of the United States, and Section 2.2.2.8 NMAC. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

15. **AMENDMENT**

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this

Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. **MERGER**

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

17. **APPLICABLE LAW**

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

18. **AGENCY BOOKS AND RECORDS**

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

19. **APPROPRIATIONS**

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

20. **PENALTIES FOR VIOLATION OF LAW**

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

21. **EQUAL OPPORTUNITY COMPLIANCE**

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in

compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. WORKING PAPERS

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

- B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. DESIGNATED ON-SITE STAFF

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

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. OTHER PROVISIONS

GASB 74 and 75, Employer allocation tables and OPEB reporting guide

SIGNATURE PAGE

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

AGENCY

CONTRACTOR

Retiree Health Care Authority

PRINTED

PRINTED

NAME: _____

NAME: _____

SIGNATURE: _____

SIGNATURE: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

STATE AGENCY

AGENCY CFO

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

This Contract has been approved by:

GENERAL SERVICES DEPARTMENT

CONTRACT REVIEW BUREAU

BY:

DATE: _____

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

ID No. _____

BY: _____

DATE: _____

The Agreement included in this Appendix C represents the contract the Agency intends to use to make an award. The State of New Mexico and the Agency reserve the right to modify the Agreement prior to, or during, the award process, as necessary.

APPENDIX D

COST RESPONSE FORM

BREAKDOWN	1st Year Hours 6/30/2025	1st Year Cost	2nd Year Hours 6/30/2026	2nd Year Cost	3rd Year Hours 6/30/2027	3rd Year Cost	4th Year Hours 6/30/2028	4th Year Cost	Total Costs 4 Years
AGENCY									
CONTRACTS									
Financial Statement Audit	_____	_____	_____	_____	_____	_____	_____	_____	_____
Federal Single Audit	_____	_____	_____	_____	_____	_____	_____	_____	_____
Financial Statement Preparation	_____	_____	_____	_____	_____	_____	_____	_____	_____
Other Allowed Nonaudit Services	_____	_____	_____	_____	_____	_____	_____	_____	_____
Other (GASB 74 & 75)	_____	_____	_____	_____	_____	_____	_____	_____	_____
SUBTOTAL	_____	_____	_____	_____	_____	_____	_____	_____	_____
Gross Receipts Tax	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____	_____	_____	_____	_____
COMPENSATION		_____		_____		_____		_____	_____

APPENDIX E

LETTER OF TRANSMITTAL FORM

APPENDIX E

Letter of Transmittal Form

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

RFP#: 26-343-0380-00001

1. Identify the following information for the submitting organization:

Offeror Name	
Mailing Address	
Telephone	
FED TIN#	
NM BTIN#	

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

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

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

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

No.
 Yes. Identify subcontractor/s: _____

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

No.
 Yes. Identify entity/-ies: _____

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

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

Sign: _____ Date: _____

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

APPENDIX F

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

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

Offeror is required to send the following Organizational Reference Questionnaire to each business reference listed in its proposal, as per Section IV.B.2. The business reference, if it chooses to respond, is required to submit its response to the Organizational Reference Questionnaire directly to: Marisol Galvez at marisol.galvez@rhca.nm.gov by **May 13, 2025, 3:00 PM** MST/MDT for inclusion in the evaluation process. The Questionnaire and information provided will become a part of the submitted proposal. Businesses/Organizations providing references may be contacted for validation of content provided therein.

RFP # 26-343-0380-00001
ORGANIZATIONAL REFERENCE QUESTIONNAIRE
FOR:

(Name of Offeror)

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

Name: Marisol Galvez
Email: marisol.galvez@rhca.nm.gov

Forms must be submitted no later than **3:00 PM on May 13, 2025**, and **must not** be returned to the organization requesting the reference. References are **strongly encouraged** to provide comments in response to organizational ratings. The comments you provide will help the State evaluate the above-referenced Offeror’s service history, successful execution of services and evidence of customer/client satisfaction.

For questions or concerns regarding this form, please contact the State of New Mexico **Procurement Manager** at (505) 222-6423 or marisol.galvez@rhca.nm.gov. When contacting the Procurement Manager, include the Request for Proposal number provided at the top of this page.

Organization providing reference	
Contact name and title/position	
Contact telephone number(s)	
Contact e-mail address	
Project description	
Project dates (start and end dates)	
Technical environment for the project you’re providing a reference for (i.e., Professional Audit Services).	

QUESTIONS:

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

COMMENTS:

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

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

COMMENTS:

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

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

COMMENTS:

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

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

COMMENTS:

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

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

COMMENTS:

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

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

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

COMMENTS:

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

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

COMMENTS:

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

COMMENTS:

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

COMMENTS:

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

COMMENTS: