

R A F C
R E G I O N A L
A D M I N I S T R A T I V E
F A C I L I T Y
C O R P O R A T I O N

April 1, 2014
REQUEST FOR PROPOSAL
PROFESSIONAL AUDITING SERVICES

JOSEPH P. BORT
METROCENTER
101 EIGHTH STREET
OAKLAND, CA
94607 - 4700
510/817-5700
TDD/TTY 510/817-5769
FAX 510/817-5848

Dear Auditor:

The Regional Administrative Facility Corporation (RAFC) invites your firm to submit a proposal to perform the annual fiscal audits of RAFC and to prepare annual tax returns for the fiscal year ending June 30, 2014, with an option to renew the audit agreement for three (3) subsequent fiscal years, ending on June 30, 2018. The selected firm also may be asked to provide other professional consulting assistance.

Metropolitan
Transportation
Commission
Steve Heminger
President

This letter, together with its enclosures, comprises the Request for Proposal (RFP) for this project. Responses to the RFP should be submitted in accordance with the instructions stated below.

Association of
Bay Area Governments
Ezra Rapport
Vice-President

I. Proposal Due Date

Interested firms must submit an original and four (4) hard copies of their proposals no later than 4 p.m., Monday, April 21, 2014. **Proposals received after that date and time will not be considered.** Proposals will be considered firm offers to enter into a contract and perform the work described in the RFP for a period of sixty (60) days from their submission.

San Francisco
Bay Area Rapid Transit
District
Grace Crunican
Secretary-Treasurer

II. RAFC Point of Contact

San Francisco
Bay Area Rapid Transit
District
Jeff Ordway
Assistant
Secretary-Treasurer

Proposals and all inquiries relating to this RFP shall be submitted to the Project Manager:

Mamie Lai, Project Manager
Regional Administrative Facility Corporation
101 8th Street
Oakland, CA 94607-4700
Phone (510) 817-5750
Fax (510) 817-5855
E-Mail mlai@mtc.ca.gov

III. Background

RAFC is a non-profit mutual benefit corporation formed in 1983 to operate and manage the Joseph P. Bort MetroCenter, a condominium office building located at 8th and Oak Streets in Oakland, CA. The MetroCenter is occupied by its three owner-members: Metropolitan Transportation Commission (MTC), a regional transportation planning agency established pursuant to California Government Code § 66500 *et seq.*; the Association of Bay Area Governments (ABAG) a joint powers agency formed pursuant to Government Code § 6500; and the San Francisco Bay Area Rapid Transit District (BART) a rail transit operator formed pursuant to Public Utilities Code § 28500 *et seq.*

Based on audited financial statements, RAFC’s fiscal year fund balances for the past four (4) years are as follows:

Fiscal Year Ending	Begin Fund Balance	Revenues	Expenditures	Ending Fund Balance
June 30, 2010	\$1,630,838	\$1,085,330	\$988,329	\$1,727,839
June 30, 2011	\$1,727,839	\$1,093,467	\$869,005	\$1,952,301
June 30, 2012	\$1,952,301	\$1,115,668	\$899,416	\$2,168,553
June 30, 2013	\$2,168,553	\$1,608,995	\$1,391,881	\$2,385,667

*Increases in fund balance due to commencement of seismic retrofit project.

IV. Minimum Qualifications

Only the proposals of firms who demonstrate the following minimum qualifications will be evaluated by RAFC:

- **Independence:** The firm must be able to provide an affirmative statement that it is independent of RAFC, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
- **License to Practice in the State of California:** An affirmative statement is required that the firm and all assigned key professional staff are properly registered and licensed to practice in the state of California.
- **Experience:** Experience conducting audits of a non-profit organization, local government, transportation agency, or a condominium association, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

V. Scope of Work

The scope of work is described in *Appendix A* to this RFP.

VI. Notice of Addenda and Requests for Exceptions

Any addenda to this RFP that may be issued by RAFC will be posted at <http://www.mtc.ca.gov/jobs/contracts/>; it is the proposer's responsibility to check for addenda to this RFP and comply with new or revised requirements that may be stated herein.

Requests for clarification or exception to RFP provisions must be received no later than 4:00 p.m., Wednesday, April 9, 2014 to guarantee consideration.

VII. Proposal Content

Each proposal shall include:

1. A transmittal letter signed by an official authorized to solicit business and enter into contracts for the firm. The transmittal letter should include the name and telephone number of a contact person, if different from the signatory.
2. A brief discussion of the auditor's understanding of the purpose and requirements of the project and the overall approach to the project.
3. A detailed statement of the firm's qualifications, including a brief firm history and information sufficient to demonstrate that the firm meets all of the minimum qualifications:
 - **Independence:** An affirmative statement that the firm is independent of RAFC, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
 - **License to Practice in the State of California:** An affirmative statement that the firm and all assigned key professional staff are properly registered and licensed to practice in the state of California.
 - **Experience:** A brief discussion demonstrating experience conducting audits of a non-profit organization, in local government or a transportation agency or a condominium association in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
 - **Firm Capacity:** A brief discussion demonstrating the firm's capacity to devote the necessary personnel and technical resources to complete the work described in *Appendix A*.
4. Resumes of the key personnel proposed for the resulting contract. Resumes shall include experience and qualifications related to this contract.

5. A description of at least three (3) contracts proposer has performed successfully, within the three (3) years, as an auditor, similar in type and scope to the services listed herein *Appendix A*. Include the name of the client, a contact person (with telephone number), and the total dollar amount of the contract. At least one (1) such reference should be a non-profit organization, local governments, transportation agency, or for a condominium association.
6. A project budget for the June 30, 2014 Audit and Tax Preparation (only). For Tasks 1 and 2, budget should be broken down by task, detailing personnel with hourly rates and any other project costs. For Task 3, include separate billing rates for all personnel proposed for consultation services.

VIII. Evaluation Factors

An auditing firm will be selected from among those that meet the minimum qualifications based on the following evaluation criteria in descending order of relative importance:

- Professional expertise and experience on similar projects of key personnel proposed for this contract;
- References; and
- Cost effectiveness.

Oral interviews may be held, if necessary. RAFC reserves the right to accept or reject any and all proposals submitted, to waive minor irregularities in proposals, and to request additional information from the proposers. Any award will be made to the firm whose proposal is the most advantageous to RAFC, based on the evaluation criteria listed above.

IX. Consultant Selection Timetable

4:00 p.m., Wednesday, April 9, 2014	Deadline for requests for clarification, exception or modification of standard contract or other RFP provisions
No later than 4:00 p.m. on the 3rd day prior to the date proposals are due	Deadline for protest of RFP provisions
No later than 4 p.m., Monday, April 21, 2014	Closing date and time for receipt of proposals
Week of April 28, 2014*	Interviews (if held)
May 16, 2014* (approximate)	Auditor Selection
July 1, 2014	Contract Start Date
No later than July 31, 2014	On-Site Field Investigation

**Interview, award and approval dates are approximates and are subject to change before or after the closing date of the RFP.*

X. General Conditions

RAFC will not reimburse any Consultant for costs related to preparing and submitting a proposal.

Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code § 6250 et seq.).

RAFC reserves the right in its sole discretion not to enter into any contract.

The selected Consultant will be required to sign a contract with RAFC, the provisions of which are summarized in *Appendix B, RAFC's Standard Consultant Agreement*. We direct your attention to the insurance provisions in *Appendix B-1*. Any such requested changes/objections to the specified coverage levels or other insurance requirements shall be brought to RAFC's attention prior to the due date for proposals to ensure consideration. Otherwise, compliance with the insurance requirement will be assumed.

XI. Selection Disputes

A proposer may object to a provision of the RFP on the grounds that it is arbitrary, biased, or unduly restrictive, or to the selection of a particular Consultant on the grounds that RAFC procedures, the provisions of the RFP or applicable provisions of federal, state or local law have been violated or inaccurately or inappropriately applied by submitting to the Project Manager a written explanation of the basis for the protest:

- No later than 4:00 p.m. on the third day prior to the date proposals are due, for objections to RFP provisions; or
- No later than three (3) working days after the date the Proposer is notified that it did not meet the minimum qualifications, or was found to be non-responsive; or
- No later than three (3) working days after the date on which the contract award is authorized by the RAFC Board of Directors or the date the proposer is notified that it was not selected, whichever is later, for objections to Consultant selection.

Protests must clearly and specifically describe the basis for the protest in sufficient detail for the RAFC review officer to recommend a resolution to the President of RAFC Board of Directors.

The evaluation record shall remain confidential until the President of RAFC Board of Directors authorizes award.

The RAFC review officer will respond to the protest in writing, based on the recommendation of a staff review officer. Should a proposer wish to appeal the decision of the RAFC review officer, it may file a written appeal with RAFC, no later than 4:00 p.m. on the third business day after receipt of the written response from the RAFC review officer. RAFC's decision will be the final agency decision.

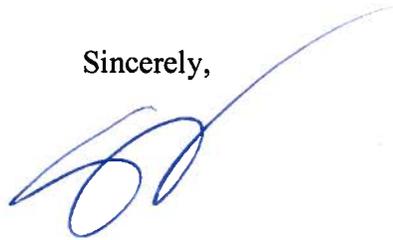
Authorization to award an agreement to a particular Consultant by RAFC shall be deemed conditional until the expiration of the protest period or, if a protest is filed, the issuance of a written response to the protest by the RAFC Board of Directors or, if the decision of the RAFC Board of Directors is appealed, the issuance of RAFC's decision.

XII. Authority to Commit to RAFC

The Project Manager, based on the evaluation conducted by the evaluation panel, will recommend an auditing firm to the President of the RAFC Board of Directors, who will commit RAFC to the expenditure of funds in connection with this RFP.

Thank you for your interest.

Sincerely,



Steve Heminger
President

SH: DR

J:\CONTRACT\Procurements\Finance\RAFC\2014\RAFC Auditor March 2014_final.docx

APPENDIX A SCOPE OF WORK

Task 1: Audit of RAFC's Financial Statements for the Fiscal Year ending June 30, 2014.

RAFC requires an auditor to make a field visit to examine and express an opinion on the financial statements of the Corporation and on the financial position and operations of RAFC for the fiscal year ending June 30, 2014. The field visit must be completed by July 31, 2014, with exact dates to be determined. Documents relevant to this examination are: RAFC's Articles of Incorporation, the RAFC Declaration of Covenants, Conditions and Restrictions (CCR's), RAFC's By-Laws, its Board of Directors' resolutions and policies, and its adopted annual operating and condominium reserve budgets.

The examination will be made in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants (AICPA), applicable to RAFC's circumstances. The examination will include such tests of the accounting records and other auditing procedures as are necessary in the circumstances. The auditor will be expected to express an opinion as to the fairness of the presentation of the financial statements and their conformity with generally accepted accounting principles.

The Auditor will determine the reliability of the data used to generate the financial statements and will be expected to test the internal controls including but not limited to the following:

- a. Accounting controls designed to safeguard assets and ensure the reliability of financial data; and
- b. Administrative controls designed to achieve operational efficiency and adherence to managerial policies.

Consistent with Section 13 of RAFC's By-Laws, the auditor will examine:

- a. The assets and liabilities of the Corporation at the end of the fiscal year.
- b. The principal changes in assets and liabilities of the Corporation, including trust funds, during the fiscal year.
- c. The revenues and receipts of the Corporation, both unrestricted and restricted to particular purposes for the fiscal year.
- d. The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year.

Deliverables:

1. Three (3) copies of a draft audit report consistent with AICPA standards will be submitted and presented by a member of the auditor's firm by August 31, 2014.

2. Three (3) copies of a draft management letter including a summation statement of audit findings and recommendations affecting the financial statements, internal controls, accounting, systems, compliance determination, and any other material matters will be submitted and presented by a member of the auditor's firm by August 31, 2014.
3. Five (5) copies plus, an electronic version of the final management letter and final audit report will be submitted by September 16, 2014.

Task 2: Tax Reporting for Fiscal Year ending June 30, 2014.

RAFC desires the auditor to prepare and file Federal Form 990, California (Form 199); Registry of Charitable Trust (Form RFF1) and other related tax forms or vouchers.

Deliverables:

1. Draft tax returns submitted by October 14, 2014.
2. Final tax returns by November 14, 2014.

All work will be performed under the direction of the Project Manager or a designated representative. The Project Manager will coordinate with the Finance Department to obtain all documents and reports necessary for the performance of the audit work.

Task 3: Professional Consultation

RAFC may request the auditor to respond to IRS inquiries (once the tax returns are prepared) and/or to provide consultation services outside of the normal inquiries related to the performance and completion of the deliverables for Tasks 1 and 2.

Deliverables:

1. To be discussed as the need arises.

APPENDIX B
RAFC'S STANDARD CONSULTANT AGREEMENT

June __, 2014

Name

Address

City, State, Zip Code + Four

RE: Professional Services Agreement

Dear insert name:

This letter, effective as of July 1, 2014 ("Effective Date") is the agreement between insert name of firm ("Auditor") and the Regional Administrative Facilities Corporation ("RAFC") for the performance of professional services in connection with fiscal audit and tax preparation services ("the Agreement").

1. It is agreed that Auditor will perform all the services specified in Attachment A, Scope of Work, according to the schedule in Attachment B, Project Payment Schedule, both attached hereto and incorporated herein by this reference.
2. Work will be performed under the direction of Mamie Lai or a designated representative (herein "Project Manager") who will approve a work plan prior to your beginning work. Auditor will be compensated for its services in accordance with Attachment B, Project Payment Schedule, attached hereto and incorporated herein by this reference. The maximum amount payable to Auditor, including (as applicable) labor, supervision, applicable surcharges such as taxes, insurance, and fringe benefits, indirect costs, overhead, profit, subcontractors costs (including mark-up), travel, equipment, materials and supplies, and expenses shall not exceed [spell out amount in whole dollars (\$_____)] ("Maximum Payment"). RAFC shall make payments to AUDITOR in accordance with the provisions described in Attachment B.

All invoices must be made in writing and delivered or mailed to RAFC as follows:

Attention: RAFC Accounting Section
Joseph P. Bort MetroCenter
101 - 8th Street
Oakland, CA 94607-4700

To AUDITOR: Attention: **Insert Name of Appropriate Person**
Auditor's name
Auditor's address
Auditor's address
Email: X
Fax: X

6. In performing services under the Agreement, Auditor will be acting as an independent contractor and not as an agent or employee of RAFC. Auditor will have no authority to contract in the name of RAFC, and Auditor will be responsible for its own acts and those of its agents and employees.
7. Auditor agrees to obtain and maintain at its own expense for the duration of the Agreement the types of insurance listed in Attachment C, Insurance Requirements, Part 1, against claims, damages or losses due to injuries to persons or damage to property or other losses arising in connection with the performance of the Agreement, placed with insurers with a Best's rating of A-VIII or better.
8. AUDITOR shall indemnify and hold harmless RAFC, the Additional Insureds listed in Attachment C, Insurance Requirements, Part 2, and their commissioners, directors, officers, agents, and employees or any of them ("the RAFC Indemnitees") from any and all claims, demands, suits, or other legal proceedings actions ("the Claims") arising out of: (a) any injury or death to persons or property or pecuniary, financial or economic losses caused by any breach of the Agreement by Auditor or by any negligent act or omission or willful misconduct of the Auditor or its officers, employees, subconsultants or agents or any of them, under or in connection with this Agreement; or (b) based on an allegation that materials or services provided by Auditor under this Agreement infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual-property or proprietary right of any third party. AUDITOR agrees at its own cost, expense and risk to defend any and all such Claims against the RAFC Indemnitees, and to pay and satisfy any resulting judgments, plus attorneys' fees and costs. This indemnification shall survive the termination or expiration of this Agreement.
9. All data, reports, surveys, studies, drawings, software (object or source code), electronic databases, and any other information, documents or materials ("RAFC Data") made available to Auditor by RAFC for use by Auditor in the performance of its services under the Agreement shall remain the property of RAFC and shall be returned to RAFC at the completion or termination of the Agreement. No license to such RAFC Data, outside of the Scope of Work of the Project, is conferred or implied by your use or possession of such RAFC Data. Any updates, revisions, additions or enhancements to such RAFC Data made by Auditor in the context of the Project shall be the property of RAFC and subject to the provisions of the following paragraph.
10. RAFC may be required to make available to Auditor certain confidential, non-public or

proprietary information (“Confidential Information”) for purposes of carrying out the Project. Confidential Information may be tangible, intangible, visual, oral, written, and/or electronic information, present or future, and includes: (i) proprietary information learned through inspection of drawings, specifications or equipment; (ii) descriptions of proprietary processes, designs, functionality or know-how; (iii) proprietary software, programming data, code or information; and (iv) other information disclosed in writing and marked as “Confidential” or with a similar notice. As between RAFC and Auditor, Confidential Information shall remain the sole and exclusive property of RAFC, and no license or other rights to Confidential Information or any works deriving from Confidential Information is granted or implied hereby. Confidential Information does not include information that: a) is now or subsequently becomes generally available to the public through no fault of Auditor; b) Auditor can demonstrate to have had rightfully in its possession prior to disclosure by RAFC or its contractors, vendors or licensors; c) Auditor rightfully obtains from a third party who has the right to transfer or disclose it; or (d) is required to be disclosed by law or applicable legal process. Auditor agrees to take all necessary and reasonable precautions to maintain the confidentiality of Confidential Information and agrees not to use, copy, distribute or disclose such Confidential Information except for the business purpose underlying this Agreement, except as authorized in writing by RAFC. Auditor further agrees to disclose Confidential Information only to its directors, officers, employees and Auditors who need to know such information, and who have agreed to be bound by the terms and conditions of this Agreement. Promptly upon the request of RAFC, at any time and for any reason, Auditor shall destroy or return to RAFC, at RAFC’s option, all documents, computer files and other tangible materials that contain Confidential Information. These obligations survive the termination of this Agreement, unless otherwise agreed in writing by RAFC.

11. All drawings, designs, specifications, manuals, reports, studies, surveys, models, software, source code and source code documentation, documentation or system architecture and any other documents, materials, data and products (“Work Products”) prepared or assembled and furnished to RAFC by Auditor or its subconsultants pursuant to the Agreement shall be and are the property of RAFC. RAFC shall be entitled to copies and access to these materials during the progress of the work. Any such materials remaining in the hands of the Auditor or in the hands of any subconsultant upon completion or termination of the work shall be immediately delivered to RAFC. Auditor hereby assigns to RAFC ownership of any copyright, patent, trademark, trade secret, or other intellectual property or proprietary rights in the Work Product. Auditor also agrees to execute all papers necessary for RAFC to perfect its ownership of the entire copyright in the Work Product. Auditor shall be responsible for the preservation of any and all such Work Products prior to transmittal to RAFC, and shall replace any such Work Products as are lost, destroyed, or damaged while in its possession without additional cost to RAFC. Notwithstanding the above, Work Products are not intended to include Auditor’s

- pre-existing intellectual property secured, developed, written, or produced by Auditor prior to the execution of this Agreement or developed concurrently with this Agreement but not specifically for this Agreement; Auditor shall retain all right, title and interest in any such pre-existing intellectual property.
12. Auditor agrees to retain all documents, working papers, records, accounts and other materials relating to its performance under the Agreement for four years following the fiscal year of the last expenditure under the Agreement or until completion of any litigation, claim or audit, whichever is longer, and RAFC may inspect and audit such records during that period of time.
 13. No member, officer, employee or agent of RAFC, during his/her tenure shall have any prohibited interest as defined by California Government Code Sections 1090, *et seq.* and 87100 *et seq.*, direct or indirect, in the Agreement or the proceeds thereof. Prohibited interests include interests of immediate family members, domestic partners, and their employers or prospective employers. Accordingly, Auditor further covenants that it has made a complete disclosure to RAFC of all facts of which it is aware upon due inquiry bearing upon any possible interest, direct or indirect, which it believes any member, officer, agent or employee of RAFC (or an immediate family member, domestic partner or employer or prospective employer of such member, officer, agent or employee) presently has, or will have in the Agreement, or in the performance thereof, or in any portion of the profits thereunder. Willful failure to make such disclosure, if any, shall constitute grounds for cancellation and termination hereof by RAFC.
 14. Auditor shall take all reasonable measures to preclude the existence or development of an organizational conflict of interest in connection with work performed under this Agreement. An organizational conflict of interest occurs when, due to other activities, relationships, or contracts, a firm or person is unable, or potentially unable, to render impartial assistance or advice to RAFC; a firm or person's objectivity in performing the contract work is or might be impaired; or a firm or person has an unfair competitive advantage in proposing for award of a contract as a result of information gained in performance of this or some other Agreement. Auditor shall not engage the services of any subconsultant or independent contractor on any work related to this Agreement if the subconsultant or independent contractor, or any employee of the subconsultant or independent contractor, has an actual or apparent organizational conflict of interest related to work or services contemplated under this Agreement. If at any time during the term of this Agreement, Auditor becomes aware of an organizational conflict of interest in connection with the work performed hereunder, Auditor shall immediately provide RAFC with written notice of the facts and circumstances giving rise to this organizational conflict of interest. Auditor's written notice will also propose alternatives for addressing or eliminating the organizational conflict of interest. If at any time during the period of performance of this Agreement, RAFC becomes aware of an organizational conflict of interest in connection with Auditor's performance of the work hereunder, RAFC shall

- similarly notify Auditor. In the event a conflict is presented, whether disclosed by Auditor or discovered by RAFC, RAFC will consider the conflict presented and any alternatives proposed and meet with Auditor to determine an appropriate course of action. RAFC's determination as to the manner in which to address the conflict shall be final.
15. Any claim or controversy concerning the interpretation, application, or implementation of this Agreement between RAFC and Auditor that cannot be resolved through the informal, good faith efforts of the parties may, by specific agreement of the parties, be submitted to alternative dispute resolution (that is, mediation or arbitration) with the parameters for such dispute resolution being agreed to by the parties at the time. If a dispute is not resolved through discussion or the parties do not agree to alternative dispute resolution, either party may pursue available legal remedies in a California State or Federal court of competent jurisdiction. Auditor must file a government claim pursuant to Government Code section 910 *et seq.* in order to initiate a civil action. The prevailing party in any dispute shall be entitled to payment of its attorneys' fees and costs. This section shall survive the termination or expiration of the Agreement.
 16. All questions pertaining to the validity and interpretation of the Agreement shall be determined in accordance with the laws of California applicable to agreements made and to be performed within the State.
 17. Auditor will not assign or subcontract any part of the Agreement without the prior written consent of RAFC, and any attempt to do so will be void and unenforceable.
 18. This Agreement constitutes the complete agreement between the parties and supersedes any prior written or oral communications. Any amendment of the Agreement must be in writing, specifically identified as an amendment to the Agreement, and signed by both Auditor and the Executive Director of RAFC, or his designated representative. The Project Manager is not a designated representative, for purposes of approving an amendment.

If you agree, please sign both copies of this letter in the space provided below and return one to us. The other copy is for your files.

Very truly yours,

Steve Heminger
Executive Director

SH: DR

Accepted and Agreed to this _____ day
of June, 2014.

insert name and, if known, title

ATTACHMENT A

SCOPE OF WORK AND SCHEDULE

The services to be performed by Auditor shall consist of services requested by the Project Manager or a designated representative including, but not limited to, the following:

ATTACHMENT B

PROJECT PAYMENT SCHEDULE

Task #	Deliverable (Deliverable #)	Completion Date	Amount Due*
1.	(#1a) Five (5) copies of draft audit report consistent with AICPA standards	August 31, 2014	
	(#1b) Five (5) copies of a draft management letter including a summation statement of audit findings and recommendations affecting the financial statements, internal controls, accounting, systems, compliance determination, and any other material matters	August 31, 2014	
	(#1c) Five (5) copies plus camera-ready copy of the final management letter and final audit report.	September 16, 2014	\$____
2.	(#2a) Draft tax returns submitted by	Oct. 15, 2014	
	(#2b) Final tax returns	Nov. 14, 2014	\$____
3.	Professional Consultation Services	As needed	Not to exceed \$____ (Standard Billing Rates below)

**Amount Due payable upon completion of all deliverables for each task.*

Task 3: Professional Consultation Services:

Standard Billing Rates for Additional Related Services

Staff	Hourly Rate
Partner	\$00.00
Supervisor	\$00.00
Associate	\$00.00
Office	\$00.00

ATTACHMENT C
Insurance Provisions

PART 1

A. Minimum Coverages. The insurance requirements specified in this section shall cover AUDITOR's own liability and the liability arising out of work or services performed under this Agreement by any subconsultants, subcontractors, suppliers, temporary workers, independent contractors, leased employees, or any other persons, firms or corporations that AUDITOR authorizes to work under this Agreement (hereinafter referred to as "Agents.") AUDITOR shall, at its own expense, obtain and maintain in effect at all times during the life of this Agreement the following types of insurance against claims, damages and losses due to injuries to persons or damage to property or other losses that may arise in connection with the performance of work under this Agreement.

AUDITOR is also required to assess the risks associated with work to be performed by Agents under subcontract and to include in every subcontract the requirement that the Agent maintain adequate insurance coverage with appropriate limits and endorsements to cover such risks. To the extent that an Agent does not procure and maintain such insurance coverage, AUDITOR shall be responsible for said coverage and assume any and all costs and expenses that may be incurred in securing said coverage or in fulfilling AUDITOR's indemnity obligation as to itself or any of its Agents in the absence of coverage.

In the event AUDITOR or its Agents procure excess or umbrella coverage to maintain certain requirements outlined below, these policies shall also satisfy all specified endorsements and stipulations, including provisions that AUDITOR's insurance be primary without right of contribution from RAFC. Prior to beginning work under this contract, AUDITOR shall provide RAFC with satisfactory evidence of compliance with the insurance requirements of this section.

1. Workers' Compensation Insurance with Statutory limits, and Employer's Liability insurance with a limit of not less than \$1,000,000 per employee and \$1,000,000 per accident, and any and all other coverage of AUDITOR's employees as may be required by applicable law. Such policy shall contain a Waiver of Subrogation in favor of RAFC. Such Workers Compensation & Employers Liability may be waived, if and only for as long as AUDITOR is a sole proprietor or a corporation with stock 100% owned by officers with no employees.

2. Commercial General Liability Insurance for Bodily Injury and Property Damage liability, covering the operations of AUDITOR and AUDITOR's officers, agents, and employees and with limits of liability which shall not be less than \$1,000,000 combined single limit per occurrence with a general aggregate liability of not less than \$2,000,000, and Personal

& Advertising Injury liability with a limit of not less than \$1,000,000. Such policy shall contain a Waiver of Subrogation in favor of RAFC.

RAFC and those entities listed in Part 2 of this Attachment C (if any), and their commissioners, directors, officers, representatives, agents and employees are to be named as additional insureds. Such insurance shall be primary and contain a Separation of Insureds Clause as respects any claims, losses or liability arising directly or indirectly from AUDITOR's operations.

3. Business Automobile Insurance for all automobiles owned (if any), used or maintained by AUDITOR and AUDITOR's officers, agents and employees, including but not limited to owned (if any), leased (if any), non-owned and hired automobiles, with limits of liability which shall not be less than \$1,000,000 combined single limit per accident.

4. Umbrella Insurance in the amount of \$1,000,000 providing excess limits over Employer's Liability, Automobile Liability, and Commercial General Liability Insurance. Such umbrella coverage shall be following form to underlying coverage including all endorsements and additional insured requirements.

5. Property Insurance. Property Insurance covering AUDITOR'S own business personal property and equipment to be used in performance of this Agreement AND materials or property to be purchased and/or installed on behalf of RAFC (if any). Coverage shall be written on a "Special Form" policy that includes theft, but excludes earthquake, with limits at least equal to the replacement cost of the property. Such policy shall contain a Waiver of Subrogation in favor of RAFC.

Such policy shall contain a Waiver of Subrogation in favor of RAFC.

RAFC (and those entities listed in Part 2 of this Attachment C, if any), and their commissioners, directors, officers, representatives, agents and employees are to be named as additional insureds. Such insurance shall be primary and contain a Separation of Insureds Clause as respects any claims, losses or liability arising directly or indirectly from AUDITOR's operations.

B. Acceptable Insurers. All policies will be issued by insurers acceptable to RAFC, generally with a Best's Rating of A-VIII or better.

C. Self-Insurance. AUDITOR's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance, upon evidence of financial capacity satisfactory to RAFC.

D. Deductibles and Retentions. AUDITOR shall be responsible for payment of any deductible or retention on AUDITOR's policies without right of contribution from RAFC. Deductible and retention provisions shall not contain any restrictions as to how or by whom the

deductible or retention is paid. Any deductible or retention provision limiting payment to the Named Insured is unacceptable.

In the event that RAFC seeks coverage as an additional insured under any AUDITOR insurance policy that contains a deductible or self-insured retention, AUDITOR shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy, for any lawsuit arising from or connected with any alleged act of AUDITOR, subconsultant, subcontractor, or any of their employees, officers or directors, even if AUDITOR or subconsultant is not a named defendant in the lawsuit.

E. Claims Made Coverage. If any insurance specified above is written on a “Claims-Made” (rather than an “occurrence”) basis, then in addition to the coverage requirements above, AUDITOR shall:

- (1) Ensure that the Retroactive Date is shown on the policy, and such date must be before the date of this Agreement or the beginning of any work under this Agreement;
- (2) Maintain and provide evidence of similar insurance for at least three (3) years following project completion, including the requirement of adding all additional insureds; and
- (3) If insurance is cancelled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Agreement effective date, AUDITOR shall purchase “extended reporting” coverage for a minimum of three (3) years after completion of the work.

F. Failure to Maintain Insurance. All insurance specified above shall remain in force until all work or services to be performed are satisfactorily completed, all of AUDITOR’s personnel, subcontractors, and equipment have been removed from RAFC’s property, and the work or services have been formally accepted. AUDITOR must notify RAFC if any of the above required coverages are non-renewed or cancelled. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program will constitute a material breach of this Agreement.

G. Certificates of Insurance. Prior to commencement of any work hereunder, AUDITOR shall deliver to RAFC Certificates of Insurance verifying the aforementioned coverages. Such certificates shall make reference to all provisions and endorsements referred to above and shall be signed on behalf of the insurer by an authorized representative thereof.

H. Disclaimer. The foregoing requirements as to the types and limits of insurance coverage to be maintained by AUDITOR are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by AUDITOR pursuant hereto, including, but not limited to, liability assumed pursuant to Section 9 of this Agreement.

Part 2

The following entities are to be named as Additional Insureds under applicable sections of this Attachment C and as RAFC Indemnified Parties, pursuant to Section 9 of the Agreement.

- Regional Administrative Facilities Corporation (RAFC)
- Metropolitan Transportation Commission (MTC)
- San Francisco Bay Area Rapid Transit District (BART)
- Association of Bay Area Governments (ABAG)

**APPENDIX B-1
INSURANCE REQUIREMENTS**

Minimum Insurance Coverages. CONSULTANT shall, at its own expense, obtain and maintain in effect at all times the following types of insurance against claims, damages and losses due to injuries to persons or damage to property or other losses that may arise in connection with the performance of work under this Agreement, placed with insurers with a Best's rating of A-VIII or better.

Yes (√)	Please certify by checking the boxes at left that required coverages will be provided within five (5) days of RAFC's notice to firm that it is the successful proposer.
___	<u>Workers' Compensation Insurance</u> in the amount required by the applicable laws, and Employer's Liability insurance with a limit of not less than \$1,000,000 per employee and \$1,000,000 per occurrence, and any and all other coverage of CONSULTANT's employees as may be required by applicable law. Such policy shall contain a Waiver of Subrogation endorsement in favor of MTC and RAFC. Such Workers Compensation & Employers Liability may be waived, if and only for as long as CONSULTANT is a sole proprietor with no employees.
___	<u>Commercial General Liability Insurance</u> for Bodily Injury and Property Damage liability, covering the operations of CONSULTANT and CONSULTANT's officers, agents, and employees and with limits of liability which shall not be less than \$1,000,000 combined single limit per occurrence with a general aggregate liability of not less than \$2,000,000, and Personal & Advertising Injury liability with a limit of not less than \$1,000,000. Expense for Indemnitee's defense costs shall be outside of policy limits and such policy shall be issued on a Duty to Defend Primary Occurrence Form. MTC, ABAG, BART, and RAFC, and their commissioners, officers, representatives, agents and employees are to be named as additional insureds. Such insurance as afforded by this endorsement shall be primary as respects any claims, losses or liability arising directly or indirectly from CONSULTANT's operations.
___	<u>Business Automobile Insurance</u> for all automobiles owned, used or maintained by CONSULTANT and CONSULTANT's officers, agents and employees, including but not limited to owned, leased, non-owned and hired automobiles, with limits of liability which shall not be less than \$1,000,000 combined single limit per occurrence.
___	<u>Umbrella Insurance</u> in the amount of \$1,000,000 providing excess limits over Employer's Liability, Automobile Liability, and Commercial General Liability Insurance.
___	<u>Property Insurance</u> covering CONSULTANT'S own business personal property and equipment to be used in performance of this Agreement, materials or property to be purchased and/or installed on behalf of MTC and RAFC (if any), debris removal, and builders risk for property in the course of construction (if applicable). Coverage shall be written on a "Special Form" ("All Risk") that includes theft, but excludes earthquake, with limits at least equal to the replacement cost of the property. Such policy shall contain a Waiver of Subrogation in favor of MTC and RAFC. If such

	insurance coverage has a deductible, the CONSULTANT shall also be liable for the deductible.
--	--

By signing below, you acknowledge and agree to provide the required certificate of insurance providing verification of the minimum insurance requirements listed above within ten (10) days of MTC and RAFC’s notice to firm that it is the successful proposer.	
Representative Name and Title	
Name of Authorizing Official	
Authorized Signature	
Date	

<p>NOTE: If you were unable to check “Yes” for any of the required minimum insurance coverages listed above, a request for exception to the appropriate insurance requirement(s) must be brought to MTC and RAFC’s attention no later than the date for protesting RFP provisions. If such objections are not brought to MTC and RAFC’s attention consistent with the protest provisions of this RFP, compliance with the insurance requirements will be assumed.</p>
--