



County of Mendocino  
Request for Proposals for  
Financial Statement Audit Services

Proposals must be submitted to:  
County of Mendocino  
Auditor-Controller  
501 Low Gap Road, Rm. 1080  
Ukiah, California 95482  
Attention: Lloyd Weer, Auditor-Controller

By 5:00 p.m.  
March 19, 2018

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## County of Mendocino

Auditor-Controller  
501 Low Gap Road, Rm. 1080  
Ukiah, CA 95482  
707-234-6860 (phone)  
707-467-2503 (fax)

### **INTRODUCTION**

The County of Mendocino (“the COUNTY”) is requesting proposals from qualified firms of Certified Public Accountants (“the FIRM”) for a three (3) year contract to prepare and audit its financial statements for the fiscal years ending June 30, 2018, 2019, and 2020. An option to extend the contract for fiscal years ending June 30, 2021 and 2022 may be exercised by the COUNTY through a written amendment. The FIRM will be asked to prepare the COUNTY’s Financial Statements and Supplementary Information and complete a Single Audit Report. The audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial and compliance audits in the U.S. General Accounting Office’s (“GAO”) *Standards of Audit of Governmental Organizations, Programs, Activities, and functions*, the provisions of the single Audit Act of 1984, as amended in 1996, U.S. Office of Management and Budget (“OMB”) Circular A-133, *Audits of State and Local governments* and Governmental Accounting Standards Board (“GASB”) Pronouncements.

The COUNTY is anticipating transitioning to a Comprehensive Annual Financial Report (“CAFR”). The CAFR will be submitted to the Government Finance Officers Association to receive their Certificate of Achievement for Excellence in Financial Reporting. The transition needs to be taken into consideration when preparing your proposal.

During the evaluation process, the COUNTY reserves the right, where it may serve the COUNTY’s best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. Submission of a proposal indicates acceptance by the FIRM of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the COUNTY and the FIRM selected.

Proposals must be received in writing by **5:00PM Pacific Daylight Time on March 19, 2018**. On the outside of the sealed response package, clearly mark: “Response to RFP – Independent Financial Audit.” FAX transmitted proposals will not be accepted. Please submit three (one original and two copies) paper proposals and one electronic copy of the proposal. The electronic copy can be submitted via CD or thumb drive. All questions relating to this Request for Proposal must be submitted in writing by Thursday, March 1, 2018.

## **DESCRIPTION OF THE COUNTY**

Mendocino County is a general law county established in 1850 by the State legislature and is a political subdivision, or unit, of the State. The COUNTY is responsible for providing municipal programs and services in the unincorporated areas of the County. The COUNTY is divided into seven (7) functional areas that represent general categories of service to the Mendocino Community including: General Government, Public Protection, Public Ways & Facilities, Health & Sanitation, Public Assistance, Education, and Recreation & Culture. These functional areas are composed of 19 separate departments that serve the citizens of Mendocino County as well as two (2) independent special districts that have not been given a functional classification but are still County departments.

1. The total population of the COUNTY is 88,378 and includes 3,878 square miles.
2. The COUNTY has four cities: Ukiah (pop. 16,156), Fort Bragg (pop. 7,633), Willits (pop. 4,860), and Point Arena (pop. 444).

The COUNTY's fiscal year is July 1 through June 30. The COUNTY's fund structure currently includes: General, Special Revenue, Permanent, Capital Projects, Internal Service, and Debt Service Funds.

The COUNTY's adopted budget for FY 2017/18 is \$298 million (total all funds). The Governmental Fund budget is \$275 million.

The COUNTY's financial statements are prepared in compliance with GASB. The most recent financial audit has been completed by CliftonLarsonAllen. The COUNTY uses Munis financial software for general ledger, cash receipts, accounts receivable, accounts payable, payroll, and budgeting.

## **MINIMUM QUALIFICATIONS**

The respondent must meet all of the Minimum Qualifications. Failure to do so will result in rejection of the proposal.

1. The FIRM must be a professional CPA firm qualified to perform the duties described in the scope of services.
2. The FIRM must have performed accounting/auditing services for a minimum of 5 years.
3. The FIRM must have performed governmental auditing services for a minimum of 3 years.
4. The partner in charge of the audit must be a licensed CPA.

5. The FIRM must have all necessary permits and licenses. Liability, professional errors and omissions insurance in the amount of \$1,000,000 must be in effect at the time the proposal is submitted and throughout the term of the agreement.
6. The FIRM must provide its own work facilities, equipment, supplies, and support staff to perform the required services.

### **SCOPE OF SERVICES**

1. Services to be performed by Auditors.
  - a. In general, the auditors will perform a financial and compliance audit to determine (a) whether the combined financial statements of the COUNTY fairly presents the financial position and the results of financial operations in accordance with generally accepted accounting principles, and (b) whether the COUNTY has complied with laws and regulations that may have a material effect upon the financial statements.
  - b. The auditors will examine the COUNTY's internal accounting controls and accounting procedures and render written reports of their findings and recommendations to the Auditor-Controller. The examination shall be made and reports rendered in accordance with generally accepted government auditing standards. In addition, the auditors shall communicate to the Auditor-Controller any reportable conditions found during the audit that can be defined as either a significant or material weakness in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with assertions of management in the financial statement.
  - c. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the Auditor-Controller.
  - d. Auditors shall include all funds of the COUNTY and any component unit(s).
  - e. Under the requirement of the Federal Governments program covering a single audit for all federal grant funds, auditors shall conduct an audit in accordance with the 'Single Audit Act, OMB Circular A-133 and related government auditing standards.
  - f. Auditors shall submit a management letter setting forth their findings and /or recommendations on those matters noted and observed during the conduct of the examination of the financial records and developed within the scope usually associated with such an examination relating to, but not limited to:

- Improvement in systems of internal control.
  - Improvement in accounting system.
  - Apparent noncompliance with laws, rules, and regulations.
  - Any other material matters coming to the attention of the FIRM during the conduct of the examination.
- g. Auditors may be required to assist COUNTY in transitioning to reporting financial results within a CAFR.

## **PROPOSAL REQUIREMENTS**

### **Background and Financial Information**

1. Describe the proposing organization's structure. Include the following:
  - a. Ownership information of the FIRM. Describe any material changes in organizational structure, or ownership that have occurred in the past 5 years. Provide names of all entities with ownership stakes. Detail affiliated companies and/or joint ventures.
  - b. Background information. How long has the FIRM been performing financial statement audits? How long has the FIRM been performing financial statement audits specifically for governmental entities?
  - c. What percentage of the FIRM's revenues comes from financial statement auditing services?
2. List the locations of each office that provide financial statement audit services within the FIRM. Which office would be responsible for work performed for the COUNTY?
3. Provide the latest two years' audited financial reports for the FIRM. Provide additional information necessary to demonstrate financial stability, including total revenue, net income/(loss), assets, liabilities, and net worth for each year.
4. Discuss the FIRM's competitive advantage over other firms in the financial statement auditing industry. Why should the COUNTY hire your firm?
5. Describe the FIRM's experience in assisting governmental entities with preparation of their initial CAFR.
6. Briefly describe the FIRM's experience and capabilities assisting governmental entities implement new GASB reporting disclosures.

7. Over the past five years, has your organization or any officer or principal been involved in any business litigation or other legal proceedings related to any financial statement audit services? If so, provide a brief explanation and indicate the current status.
8. Has your firm, within the last ten years, been censured or fined by any regulatory body? If so, please indicate the dates and describe the situation.
9. Has any litigation been brought against the FIRM by any entity for fraud, malpractice, misrepresentation, negligence, or similar cause of action? If so, please document this information.
10. Is the FIRM affiliated with any other firm(s) offering non-auditing services that could represent conflicts of interest? If yes, briefly describe your firm's policies and procedures for doing business with these affiliates while safeguarding against conflicts of interest.
11. Do you, your parent company, or any affiliated company have any business relationships with the COUNTY? If so, describe that relationship.
12. List and describe any professional relationship your firm staff have with any member of the COUNTY's elected officials or staff.
13. Has anyone in your firm provided any gifts, travel expenses, entertainment, or meals to any COUNTY elected official or staff member in the last twelve months? If yes, describe the expense and the purpose.

### **Personnel Information**

1. How many accountants does your firm employ?
2. Describe the background of the professionals in the FIRM's auditing services group:
  - What percentage are currently CPA's?
  - What ongoing educational programs are supported and/or required?
3. For the key executives and professionals in the auditing group assigned to the COUNTY, including the partner in charge and audit engagement manager, please provide resumes (or biographies) that include the following information:
  - Name
  - Title
  - Responsibilities within the FIRM. If a person has multiple responsibilities, indicate the percentage of time spent on each function in a footnote to the table.
  - Years of relevant experience.

- Years with the FIRM.
  - Degrees and professional designations.
  - Institution awarding each degree and designation.
4. How long has the current group of key executives and professionals in your auditing group worked as a team?
  5. For the partner in charge and audit engagement manager, list their governmental audit assignments for the past five years. Include for each assignment the date of the final audit report, whether the auditor served as the partner in charge, engagement manager, senior auditor, or staff auditor and the client's name and size. Include reference clients' contact information.
  6. For the partner in charge of the audit and the engagement manager, state the role each would play in accomplishing the required services.
  7. For the partner in charge of the audit and the engagement manager, please state the total number of clients currently assigned to these individuals. What is the accessibility to these individuals assigned to the COUNTY's audit?
  8. How many staff will be assigned to the COUNTY during the on-site portion of the audit? How many staff will be accessible to the COUNTY during the production of the final audit report? Will they be the same team/ individuals?
  9. Are there any potential conflicts of interest with the proposed partner in charge and engagement manager within the COUNTY assignment? Are there any potential conflicts of interest related to other client relationships? If so, provide details on the entity or activity.
  10. Does the FIRM have a transition plan to deal with the possible sudden departure of key professionals assigned to the COUNTY's audit? Describe the plan.

In the event the partner in charge or engagement manager must be replaced, the replacement must meet the same standards as outlined in this proposal and be acceptable to the COUNTY. Failure to provide a new replacement acceptable to the COUNTY will constitute a breach of the FIRM's agreement.

### **Proposed Auditing Methods**

1. Describe the specific methodology to be used for the scope of work needed by the COUNTY.
2. Provide an estimated timeline for completion of the work that includes each stage of the process. Be sure to include an estimate of information or data gathering



required from the COUNTY. Indicate points in the audit and review when your firm plans to interact with the COUNTY staff at our office.

3. Will you be able to present the final reports by December 31?
4. Describe your quality control processes for audit reports and recommendations. How are these services monitored and reviewed?
5. Provide an example of one recent governmental independent auditor's report for an existing client.

### **Auditing Experience and References**

1. Please list client relationships where only financial statement auditing services have been or are being provided.
2. For all current governmental financial statement audit clients, state the client's name, the first year of your initial contract.
3. Please provide the name, title, address, and telephone number for at least three client references for whom your firm has provided financial statement audit services similar to this Request for Proposal. (The COUNTY reserves the right to contact any of the individuals/agencies provided.) Include the following detail:
  - The client for whom the FIRM most recently completed a governmental financial statement audit.
4. List any governmental clients that have terminated their financial statement service contracts with your firm in the last five years.
5. Within the last five years, has your firm been notified by any financial statement audit services clients that your firm is in default of its contract, or that conditions exist jeopardizing continuation of that contract? If so, state the client firm's name, year the notice was received, reasons for the notice, and resolution or current status of the relationship.
6. Please submit a copy of the FIRM's most recent peer review report.

### **Additional Required Information**

1. Will subcontractors be used in providing the required COUNTY services? If so, describe the specific services that would be subcontracted, the name of the subcontractor, the cost to your firm of these services, and how you would control the quality of services provided.

2. Do you have plans/arrangements for disaster recovery? Briefly describe your disaster recovery plans. Include plans related to client data files in your description.
3. Please describe the coverage levels for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. Is the coverage on a per-client basis, or is the dollar figure applied to the firm as a whole? List the insurance carriers.
4. Describe the resources your firm has that specifically address the needs of public fund clients.

### **Fee Proposal**

1. Describe how fees are determined for your firm's auditing services.
2. How are fees billed (billing periods and prospective versus arrears)?
3. The proposed three year fee schedule should include administrative, third-party, travel, and all other costs associated with the proposed engagement. Following the fee schedule provided in Appendix A, please provide a maximum fee assuming an on-site presentation of the final audit.
4. A second proposed fee schedule, prepared as in Item 3 (above), that provides a maximum fee assuming assistance with the preparation of the COUNTY's initial CAFR in year 1, and subsequent CAFR's in years 2 and 3.
5. Please also provide hourly rates for services which may be requested outside the scope of the audits for each of the following: Partner, Manager, Senior Accountant, and Staff Accountants, etc.

### **PROPOSAL ORGANIZATION**

Proposals should be organized in the following manner:

1. Cover Letter
2. Table of Contents
3. Executive Summary
4. Firm and Personnel Background Information and Qualifications
5. Audit Performance Methodology
6. Auditing Experience
7. Additional Required Information
8. Fee Proposal
9. References
10. Contract Specifications
11. Attachments

## **PROPOSAL SUBMISSIONS**

Proposals should include the following and preceding information to illustrate the FIRM's capabilities.

A cover letter is required, which includes the following statements:

1. The attached proposal is complete as submitted.
2. All prices, fee proposals, and/or other factors contained in the proposal are valid for 90 days from the proposal closing date.
3. Certification of non-discriminatory practices in the FIRM's services.
  - a. Mandatory signature of the representative(s) who are authorized to legally bind the vendor.
  - b. The cover letter must also identify any sections of the proposal that the FIRM is identifying as confidential.

The COUNTY has made every effort to include enough information in this proposal for the FIRM to prepare a responsive proposal. The COUNTY strongly discourages any contact with elected officials or staff while the selection process is pending, unless contact had been initiated by the elected official or staff. Proposals will be evaluated by the COUNTY staff. Additionally, the COUNTY may seek the use of technical experts to assist in the selection.

COUNTY anticipates that the proposal submittal, review, and selection process will take approximately 90 days. The process timeline follows.

1. **Distribution of Proposals.** Proposals mailed to vendors and posted on the COUNTY's website on **February 15, 2018**.
2. **Information Requests.** Written requests for additional information must be received no later than **March 1, 2018**. If additional information is desired, requests should be sent in writing via email to [goodmanr@mendocinocounty.org](mailto:goodmanr@mendocinocounty.org)
3. **Proposal Submission.** Proposals must be received in writing by **5:00 PM Pacific Daylight Time on March 19, 2018**. On the outside of the sealed response package, clearly mark: "Response to RFP – Independent Financial Audit". FAX transmitted proposals will not be accepted. Please submit four (4) (one (1) original and two (2) copies) paper proposals and one (1) electronic copy of the proposal. The electronic copy can be submitted via CD or thumb drive. Send to:

County of Mendocino  
Auditor-Controller  
Attn: Lloyd Weer, Auditor-Controller  
501 Low Gap Road, Rm. 1080  
Ukiah, CA 95482

4. **Firm Proposal.** All proposals shall be firm and may not be withdrawn for a period of 90 days following the date of submission.
5. **Proposal Review.** COUNTY staff will review and evaluate the proposals after the deadline for submission. During the review of proposals, COUNTY staff may conduct phone interviews with some, or all proposing firms if additional information or clarification is needed.
6. **Interviews.** If required, the COUNTY will schedule presentations of the finalists in May 2018. Note that there may not be any oral presentations; each proposal is expected to be complete in and of itself.
7. **Contract Effectiveness.** The approved firm will officially become The COUNTY's financial statement auditors on July 1, 2018, assuming successful completion of contract negotiations.

Notification to vendors of the COUNTY's decision to award a contract for financial statement audit services is expected to occur by June 30, 2018.

The COUNTY will make every effort possible to administer the proposal process in accordance with the terms and dates discussed in this section; however, the COUNTY reserves the right to modify the proposal process and dates if necessary.

## **EVALUATION OF PROPOSALS**

Proposals will be screened initially to determine if they have met the conditions set forth under Minimum Qualifications. Proposals that are non-compliant will be eliminated. After Minimum Qualifications have been satisfied, the evaluation criteria will be the following:

- **Ability.** The FIRM's ability to provide the requested services.
- **Related Experience.** The FIRM's demonstrated, related experience in providing services comparable to the COUNTY's needs. Expertise in all aspects of financial statement auditing.
- **Qualified Personnel.** Qualified personnel assigned to provide necessary services.

- **Firm Stability.** The FIRM's stability, professionalism and reputation as compared to other firms providing governmental financial auditing services.
- **Assigned Individuals.** The credentials and experience of the person(s) who would be assigned to the COUNTY's account.
- **Fee Proposal.** Reasonableness and competitiveness of the fee structure/costs proposed by the FIRM.
- **General quality and adequacy of response,** including completeness of response, conformity to terms and conditions.
- **Quality of references.** Level of satisfaction of present and/or former clients.
- **Other Factors.** Any other factors that would be in the best interest of the COUNTY to consider which were not previously described.

## **CONTRACT REQUIREMENTS**

A sample contract is attached to indicate the type of agreement contemplated and to set forth some of the general provisions that the COUNTY anticipates including in the final agreement(s). In submitting a proposal, the Proposer will be deemed to have agreed to each clause unless the proposal identifies an objection, sets forth the basis for the objection, and provides substitute language to make the clause acceptable to the Proposer. Such objections and substitute language must be submitted no later than the deadline for the proposal. The proposed revision is subject to additional review and may not be added unless the COUNTY determines in its sole discretion that the performance of the services under the contract is dependent upon such changes. The sample contract provisions are contained in Appendix B.

The Contract shall be a combination of the specifications, terms, and conditions of the RFP, any written clarifications or changes made to this RFP, the offer contained in the successful proposal, and any additional contractual terms and conditions agreed to mutually and in writing by the parties. Negotiation, execution and amendment of the contract and operational oversight of services provided under the contract for financial statement audit services, are the responsibility of the COUNTY's Auditor-Controller, Lloyd Weer.

## **GENERAL CONDITIONS OF SUBMISSION**

### **Proposal Obligations**

The contents of the proposal and any clarifications thereto submitted by the successful firm shall become part of the contractual obligation and will be incorporated by reference into the Contract.

## **Public Records Requests**

During the RFP review, presentation, and discussion time period, the COUNTY will not disclose any information derived from the submissions. Once an award is made, the proposals become public record, and may be disclosed upon request. If you are submitting any information you consider to be proprietary, the information must be marked as such. Please be aware, the marking of information as “proprietary” does not necessarily preclude its disclosure. Should a public information request be presented, the laws of the State of California will prevail.

The California Public Records Act, Government code sections 6250, et.seq., provides that access to information concerning the conduct of the people’s business is a fundamental and necessary right of every person in the state. Public records are defined as any writing relating to the conduct of the public’s business and are open to inspection during normal business hours.

There are specific exceptions to the Public Records Act. In the event the COUNTY receives a request of any proposal submitted pursuant to this Request for Proposal, it is the responsibility of the organization whose proposal has been requested to assert any rights to confidentiality that may exist. The COUNTY will not make that assertion on behalf of the prospective financial statement auditor. Absent a judicial determination that the documents are exempt from disclosure, they will be subject to inspection.

Submission by a vendor constitutes a complete waiver of any claims whatsoever against the COUNTY, and/or its agents, officers, or employees, that the COUNTY has violated a vendor’s right to privacy, disclosed trade secrets or caused any damage by allowing the proposal to be inspected.

## **RFP Withdrawal or Modification**

Proposals may be withdrawn or modified by a written or faxed request from respondent no later than 3 business days prior to the RFP closing date.

## **Errors/Clarification**

If any ambiguity, conflict, discrepancy, omission or other error is discovered in this RFP, the FIRM should immediately notify the COUNTY, Attention: Lloyd Weer, in writing, requesting modification or clarification of the document. Modifications of material consequence will be made by addenda issued to all participating respondents.

## **Collusion Affidavit / Conflict of Interest**

By submitting a proposal, the FIRM certifies that the quoted prices are genuine and not the result of collusion or any other activity which would tend to directly or indirectly influence the process.

The FIRM further certifies the FIRM has no real or potential conflicts of interest that would prevent the FIRM from acting in the best interests of the COUNTY.

## **Other Conditions**

The COUNTY reserves the right to reject any and all proposals, with or without cause, and to request additional information from the proposing firms.

The COUNTY will not reimburse responding firms for any expenses incurred in preparing proposals and/or presentations in response to this RFP. All responses and accompanying documentation become the property of the COUNTY at the time the proposals are opened, and will not be returned.

A response to this RFP must be prepared and submitted according to the specifications set forth in this document. Failure to adhere to these specifications may be cause for rejection of the proposal. Any correction and/or resubmission of a proposal shall be submitted prior to the bid submission deadline.

All proposals shall be firm and may not be withdrawn for a period of 90 days following the date of submission of proposals.

The COUNTY reserves the right to conduct discussions with prospective firms, to accept revisions of proposals, if solicited, and to negotiate pricing changes.

The COUNTY reserves the right to use all available means to evaluate the firms, including review of submitted proposals, reference checks, interviews and presentations. The evaluation team is under no obligation to contact firms for clarification of proposals, but may do so at any time prior to contract award.

## APPENDIX A FEE SCHEDULE

The Auditor must state a firm, fixed price for the audit to provide audit services as described herein, in accordance with the terms and conditions of this document.

Audit Services	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
<b>Maximum Fee</b> (Assuming onsite presentation of final audit report.)			

Audit Services (w/CAFR)	1 <sup>st</sup> Year (Initial CAFR)	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
<b>Maximum Fee</b> (Assuming onsite presentation of final audit report.)			

Additional Professional Services	Rate/ Hour
<b>A. Professional Personnel</b>	
Audit Partners	
Audit Manager	
Audit Senior	
Audit Staff Accountant	
<b>B. Support Personnel</b>	
Clerical	
Other	



## **APPENDIX B**

### **CONTRACT REQUIREMENTS**

**PROPOSERS NOTE:** The purpose of the attached sample agreement is to indicate the type of agreement contemplated and to set forth some of the general provisions the COUNTY anticipates including in the final agreement(s). The details of the scope of work will be set forth in Exhibit A of the agreement and will be finalized during contract negotiations. In submitting a proposal, the Proposer will be deemed to have agreed to each clause unless the proposal identifies an objection, sets forth the basis for the objection, and provides substitute language to make the clause acceptable to the Proposer. Such objections and substitute language must be submitted no later than the deadline for the proposal. The proposed revision is subject to additional review and may not be added unless the COUNTY determines in its sole discretion that the performance of the services under the contract is dependent upon such changes.

**COUNTY OF MENDOCINO  
STANDARD SERVICES AGREEMENT**

This Agreement is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the "COUNTY", and \_\_\_\_\_, hereinafter referred to as the "CONTRACTOR".

**WITNESSETH**

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, COUNTY desires to obtain CONTRACTOR for its Fiscal Audit Services; and,

WHEREAS, CONTRACTOR is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to COUNTY.

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit "A", and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

Exhibit A	Definition of Services
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements
Exhibit D	Mendocino County ePayables Information

The term of this Agreement shall be from the date this Agreement becomes fully executed by all parties (the "Effective Date"), and shall continue through \_\_\_\_\_, 20\_\_\_\_\_.

The compensation payable to CONTRACTOR hereunder shall not exceed [Spelled out Contract Amount] (\$[Numerical Amount]) for the term of this Agreement.

**IN WITNESS WHEREOF**

**DEPARTMENT FISCAL REVIEW:**

DEPARTMENT HEAD \_\_\_\_\_ DATE \_\_\_\_\_

Budgeted: ☐ Yes ☐ No

Budget Unit: \_\_\_\_\_

Line Item: \_\_\_\_\_

Grant: ☐ Yes ☐ No

Grant No.: \_\_\_\_\_

**COUNTY OF MENDOCINO**

By: \_\_\_\_\_

DAN HAMBURG, Chair  
BOARD OF SUPERVISORS

Date: \_\_\_\_\_

**ATTEST:**

CARMEL J. ANGELO, Clerk of said Board

By: \_\_\_\_\_

Deputy

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: \_\_\_\_\_

Deputy

**INSURANCE REVIEW:**

By: \_\_\_\_\_

Risk Management

Date: \_\_\_\_\_

**CONTRACTOR/COMPANY NAME**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**NAME AND ADDRESS OF CONTRACTOR:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

**COUNTY COUNSEL REVIEW:**

**APPROVED AS TO FORM:**

KATHARINE L. ELLIOTT,  
County Counsel

By: \_\_\_\_\_

Deputy

Date: \_\_\_\_\_

**EXECUTIVE OFFICE/FISCAL REVIEW:**

By: \_\_\_\_\_

Deputy CEO

Date: \_\_\_\_\_

**Signatory Authority:** \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; **\$50,001+ Board of Supervisors**

**Exception to Bid Process Required/Completed** ☐ \_\_\_\_\_

**Mendocino County Business License: Valid** ☐ \_\_\_\_\_

**Exempt Pursuant to MCC Section:** \_\_\_\_\_

## **GENERAL TERMS AND CONDITIONS**

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold County harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and County laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the County agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two (2) week's written notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the furthest extent permitted by law (including without limitation California Civil Code sections 2782 and 2782.8, if applicable), Contractor shall assume the defense of, indemnify, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, demands, damages, costs, liabilities, and losses whatsoever alleged to be occurring or resulting in connection with the CONTRACTOR'S performance or its obligations under this AGREEMENT, unless arising out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.
3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

CONTRACTOR affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code and CONTRACTOR further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONTRACTOR shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONTRACTOR'S and subcontractors' employees.

5. CONFORMITY WITH LAW AND SAFETY:

- a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.
- b. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.
- c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the opportunity to review and inspect such evidence, including the scene of the accident.

6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit "B" hereto as funding permits.

If COUNTY over pays CONTRACTOR for any reason, CONTRACTOR agrees to return the amount of such overpayment to COUNTY, or at COUNTY's option, permit COUNTY to offset the amount of such overpayment against future payments owed to CONTRACTOR under this Agreement or any other agreement.

In the event CONTRACTOR claims or receives payment from COUNTY for a service, reimbursement for which is later disallowed by COUNTY, State of California or the United States Government, the CONTRACTOR shall promptly refund the disallowance amount to COUNTY upon request, or at its option

COUNTY may offset the amount disallowed from any payment due or that becomes due to CONTRACTOR under this Agreement or any other agreement.

7. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
8. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby assigns the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

The COUNTY's rights under this Paragraph 8 shall not extend to any computer software used to create such Documents and Materials.

9. CONFLICT OF INTEREST: The CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.
10. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO  
501 Low Gap Road, Rm. 1080  
Ukiah, CA 95482  
Attn: Lloyd Weer, Auditor-Controller

To CONTRACTOR: [Name of Contractor]  
[Number and Street]  
[City, State, Zip Code]  
ATTN:

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.



11. **USE OF COUNTY PROPERTY:** CONTRACTOR shall not use County property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
12. **EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS:** CONTRACTOR certifies that it will comply with all Federal, State, and local laws, rules and regulations pertaining to nondiscrimination in employment.
  - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, pregnancy, disability, sex, sexual orientation, gender identity, ancestry, national origin, age, religion, Veteran's status, political affiliation, or any other factor prohibited by law.
  - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, engaged in any unlawful discrimination.
  - c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.
  - d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
  - e. The CONTRACTOR shall include the provisions set forth in this paragraph in each of its subcontracts.
13. **DRUG-FREE WORKPLACE:** CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free workplace. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the County department/agency for which the contract services are performed. Violation of this provision shall constitute a material breach of this Agreement.

14. ENERGY CONSERVATION: CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
15. COMPLIANCE WITH LICENSING REQUIREMENTS: CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.

Before the COUNTY will issue a notice to proceed with the Services, CONTRACTOR and any subcontractors must acquire, at their expense, a business license from County in accordance with MCC 6.0. Such licenses must be kept valid throughout the Agreement term.

CONTRACTOR represents and warrants to COUNTY that CONTRACTOR and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions.

16. AUDITS; ACCESS TO RECORDS: The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

The CONTRACTOR shall maintain full and adequate records in accordance with County requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within County or CONTRACTOR shall pay to the COUNTY the reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR's books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such inspection. The COUNTY further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or

mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

17. **DOCUMENTS AND MATERIALS:** CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 8 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
18. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
19. **TERMINATION:** The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon giving to the CONTRACTOR notice. Such notice shall be in writing and may be issued by any county officer authorized to execute or amend the contract, the County Chief Executive Officer, or any other person designated by the County Board of Supervisors. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the CONTRACTOR shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to CONTRACTOR for its Fiscal Audit Services shall not exceed \$[Contract Amount] payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment or lack of funding.
20. **NON APPROPRIATION:** If COUNTY should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the products set forth in this Agreement, or other means of performing the same functions of such products, COUNTY may unilaterally terminate this Agreement only upon thirty (30) days written notice to CONTRACTOR. Upon termination, COUNTY shall remit payment for all products and services delivered to COUNTY and all expenses incurred by CONTRACTOR prior to CONTRACTOR'S receipt of the termination notice.

21. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. **VENUE:** All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California.
23. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
24. **ADVERTISING OR PUBLICITY:** CONTRACTOR shall not use the name of County, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
25. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties. In the event of a conflict between the body of this Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.
26. **HEADINGS:** Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
27. **MODIFICATION OF AGREEMENT:** This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.

28. **ASSURANCE OF PERFORMANCE:** If at any time the COUNTY has good objective cause to believe CONTRACTOR may not be adequately performing its obligations under this Agreement or that CONTRACTOR may fail to complete the Services as required by this Agreement, COUNTY may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to COUNTY, to correct the observed deficiencies in CONTRACTOR's performance. CONTRACTOR shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
29. **SUBCONTRACTING/ASSIGNMENT:** CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
- a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
  - b. Only the department head or his or her designee shall have the authority to approve subcontractor(s).
  - c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
30. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 8), and Conflict of Interest (Paragraph 9), shall survive termination or expiration for two (2) years.
31. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
32. **INTELLECTUAL PROPERTY WARRANTY:** CONTRACTOR warrants and represents that it has secured all rights and licenses necessary for any and all

materials, services, processes, software, or hardware ("CONTRACTOR PRODUCTS") to be provided by CONTRACTOR in the performance of this AGREEMENT, including but not limited to any copyright, trademark, patent, trade secret, or right of publicity rights. CONTRACTOR hereby grants to COUNTY, or represents that it has secured from third parties, an irrevocable license (or sublicense) to reproduce, distribute, perform, display, prepare derivative works, make, use, sell, import, use in commerce, or otherwise utilize CONTRACTOR PRODUCTS to the extent reasonably necessary to use the CONTRACTOR PRODUCTS in the manner contemplated by this agreement.

CONTRACTOR further warrants and represents that it knows of no allegations, claims, or threatened claims that the CONTRACTOR PRODUCTS provided to COUNTY under this Agreement infringe any patent, copyright, trademark or other proprietary right. In the event that any third party asserts a claim of infringement against the COUNTY relating to a CONTRACTOR PRODUCT, CONTRACTOR shall indemnify and defend the COUNTY pursuant to Paragraph 2 of this AGREEMENT.

In the case of any such claim of infringement, CONTRACTOR shall either, at its option, (1) procure for COUNTY the right to continue using the CONTRACTOR Products; or (2) replace or modify the CONTRACTOR Products so that that they become non-infringing, but equivalent in functionality and performance.

33. ELECTRONIC COPIES:

The parties agree that an electronic copy, including facsimile copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document.

34. COOPERATION WITH COUNTY

Contractor shall cooperate with County and County staff in the performance of all work hereunder.

35. PERFORMANCE STANDARD

Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable Federal, State, and local laws, it being understood that acceptance of Contractor's work by County shall not

operate as a waiver or release. If County determines that any of Contractor's work is not in accordance with such level of competency and standard of care, County, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with County to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of paragraph 19 (Termination) or (d) pursue any and all other remedies at law or in equity.

[END OF GENERAL TERMS AND CONDITIONS]

## **EXHIBIT A**

### **DEFINITION OF SERVICES**

CONTRACTOR shall provide the following services:

[END OF DEFINITION OF SERVICES]



**EXHIBIT B**  
**PAYMENT TERMS**

[END OF PAYMENT TERMS]

## **EXHIBIT C**

### **INSURANCE REQUIREMENTS**

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, Contractor's indemnity obligations under Paragraph 2 of this Agreement.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

[END OF INSURANCE REQUIREMENTS]

## EXHIBIT D

### MENDOCINO COUNTY EPAYABLES INFORMATION

The County of Mendocino is currently making credit card payments to all of our vendors and suppliers who qualify. To qualify, vendors need to currently accept credit card payments. To achieve this more efficient form of payment, the County has partnered with Bank of America and their ePayables credit card program. This electronic initiative will yield many benefits to its participants:

- Expedited receipt of cash – electronic credit card payments provide cash flow benefits by eliminating mail and paper check float
- Elimination of check processing costs
- Remittance data transmitted with payment for more efficient back-end reconciliation
- No collection costs associated with lost or misplaced checks
- Reduced exposure to check fraud
- More efficient handling of exception items
- Fits with existing accounting software – requires no purchase of software, no modifications to existing accounts receivable system and no change to bank accounts.
- Going green with paperless electronic credit card payments help conserve the environment by eliminating printing and mailing of paper checks.

For information regarding the payment process, please contact Margaret Yates [yatesm@mendocinocounty.org](mailto:yatesm@mendocinocounty.org) or 707-234-6869.

Additional information regarding the Bank of America Program is also available at:

[http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm\\_mmc=sb-general\\_-vanity\\_-sg01vn000r\\_epayablesvendors\\_-na](http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm_mmc=sb-general_-vanity_-sg01vn000r_epayablesvendors_-na)