



CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

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State Controller

MICHAEL COHEN
Director of Finance

EXECUTIVE DIRECTOR
Reneé Webster-Hawkins

REQUEST FOR PROPOSAL

No. CPCFA05-16

Financial Services

Notice to Prospective Proposers

August 11, 2016

You are invited to review and respond to this Request for Proposal (RFP), entitled **CPCFA05-16 Financial Audit Services**. In submitting your proposal, you must comply with these instructions.

The California Pollution Control Financing Authority ("CPCFA" or the "Authority") seeks auditing services to fulfill CPCFA's obligations pursuant to Government Code sections 5871 and 5872, to include meeting the Office of the State Controller's minimum auditing requirements.

The RFP includes the Sample Standard Agreement the winning bidder will be expected to execute. Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site <http://www.dgs.ca.gov/dgs/Home.aspx>. If you do not have Internet access, a hard copy can be provided by contacting the person listed below.

In the opinion of the California Pollution Control Financing Authority, this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this RFP is:

Tajinder Kaur
California Pollution Control Financing Authority
(916) 651-0111
<mailto:tkaur@treasurer.ca.gov>

Questions regarding this RFP must be submitted in writing no later than September 1, 2016 by 5:00 p.m. Answers to the questions will be posted on September 8, 2016 on the DGS website and the CPCFA website.

Please note that no verbal information given will be binding upon the State unless such information is issued in writing as an official addendum to this RFP.

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A. PURPOSE AND DESCRIPTION OF SERVICE

1. Introduction

Effective January 1, 2010, legislation¹ increased the reporting and auditing requirements for conduit issuers (see Attachment A to Section F, Sample Standard Agreement). While the focus of the legislation was on the joint powers authorities that frequently issue bonds, it also requires the inclusion of state finance authorities, and was written to include the finance authorities chaired by the Treasurer. As a result, the California Pollution Control Financing Authority (CPCFA) must comply with the same reporting/auditing requirements imposed on the joint powers authorities.

The CPCFA is currently seeking proposals from qualified firms for their services in the annual auditing of the financial statements and internal control performance of CPCFA's operations relevant to the CPCFA's Bond Program. The audit will include a complete operating and financial statement and audit of the books and accounts as well as an independent assessment of the internal control and performance of the CPCFA's Bond Program. All proposals submitted for performance of these audits must explain the experience and qualifications that demonstrate the firm's ability to provide such services. Failure to provide the entire required format may result in disqualification.

The selected firm must be technically and professionally capable of providing the services in all subject areas described in the Scope of Service (Section A, Item 2 of this RFP) and meet the Minimum Qualifications for Proposers (Section B). The firm must be free from actual conflicts of interest not only at the time of selection, but also throughout the term of the contract. The audit periods contemplated by the contract agreement shall be for each of the two fiscal years ending **June 30, 2016** and **June 30, 2017**, with an option to extend the term for one additional year and include the audit for the fiscal year ending **June 30, 2018**, at the CPCFA's discretion. The CPCFA anticipates an **October 1, 2016** contract start date, and the firm must be available at that time to assume services.

2. Scope of Service

The selected firm ("Contractor") will be expected to provide audit and examination services as described herein. Pursuant to the passage of Senate Bill 99 (SB 99), the audit must comply with the Office of the State Controller's ("SCO") minimum standards for conducting audits (see Attachment B, Sample Standard Agreement). SCO's audit and reporting requirements may be subject to change. As a result, the firm must be prepared to incorporate any additional legal or industry requirements for the performance of audits as may be disseminated by the SCO subsequent to the initial circulation of this RFP (refer to Attachments A, B, C, & D, Sample Standard Agreement).

a. Audit and Examination

In addition to any other requirements, the selected firm will perform an audit and examination of the financial statements of the CPCFA's bond financing accounts and records as required by law and include the following:

- i. A disclosure of fees imposed on borrowers by or on behalf of the CPCFA's Bond Program.
- ii. A disclosure of expenditures related to those fees made by or on behalf of the CPCFA's Bond Program.
- iii. The dollar amount and nature of these fees and expenses.
- iv. A disclosure of the amount of bonds authorized but unsold at the end of the time period covered by the audit.

¹ Senate Bill 99, which added Chapter 10.7 of Division 6 of Title 1, commencing with section 5870, to the Government Code

- v. A disclosure of the amount of bonds the CPCFA has issued during the period covered by the audit and the amount of debt still outstanding at the end of the time period covered by the audit. Attached is a summary of the CPCFA's applicants and borrowers for fiscal years **2014/2015** and **2015/2016**, which can be used as an indicator of the type and quantity of activity for future years (see Exhibit D to Section E, Sample Standard Agreement).
- b. Audit Report and Findings
 - i. The report shall be prepared in the format as outlined in the Minimum Audit Requirements and Reporting Guidelines of the Office of the State Controller (see Attachment B, Sample Standard Agreement).
 - ii. The report shall include a statement of the scope of the audit and examination for each Bond Program Fund; the period covered by the audit and examination; and a list of the financial statements included in the report.
 - iii. The report and findings shall include a statement of material audit findings and recommendations regarding the financial statements, internal control and accounting systems, and legality of actions for each Bond Program Fund.
 - iv. Audited financial statements in the report shall include a "Statement of Operations", "Statement of Assets and Liabilities" (Balance Sheet), and a "Statement of Cash Flows" for each Bond Program Fund.
 - v. The audit report shall include any other material information required by the CPCFA or the SCO, or under the Government Code.
 - vi. One audit report will be for fiscal year **2015/2016**. A second audit report will be for fiscal year **2016/2017**. If the contract is extended by the CPCFA, a third audit report will be for fiscal year **2017/2018**.
 - vii. Contractor shall review each proposed report with the CPCFA staff prior to finalizing and reporting results of the audit to the Office of the State Controller.
 - viii. The audit must meet the reporting time frame requirements of the Office of the State Controller (see Attachment B to Section F, Sample Standard Agreement). Currently, it is anticipated that each audit should be conducted and completed by June 30 of the following fiscal year. The audit submittal time frame is subject to change upon further instruction from the Office of the State Controller.
 - ix. One original and twenty copies of each report shall be prepared with provision for additional copies upon request; and an electronic version shall also be provided in PDF format.
 - x. In all respects, represent the best interests of the CPCFA and the State of California in all transactions and proceedings.

The CPCFA will obtain all available accounting records and data necessary for the contractor's performance of the work described herein, and the CPCFA will provide office workspace and furnishings if needed, adjacent to its offices at 801 Capitol Mall, 2nd Floor, Sacramento, California 95814. All other equipment or materials are to be provided by the Contractor.

Contractor shall be responsive to the CPCFA staff regarding the status of the audit including promptly responding to emails and telephone calls. The firm shall keep the CPCFA staff apprised of information needed and outstanding issues. The firm shall meet deadlines set by the CPCFA staff.

c. Standards and Requirements

The audit will include an evaluation of the CPCFA's internal controls in accordance with generally accepted auditing standards as set forth in *Statements on Auditing Standards*, published by the American Institute of Certified Public Accountants, and the Office of the State Controller's *Minimum Audit Requirements for California Special Districts* (Attachment B). The audit and examination will include such tests of the accounting records and procedures as are necessary for the expression of the firm's opinion, in compliance with Rule 58 of the State Board of Accountancy, on the financial statements taken as a whole, in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), and general provisions of State law. At a minimum, Contractor shall, for each audit and examination:

- i. Confirm assets held by the CPCFA for each Bond Program fund.
- ii. Verify the bonds outstanding for the Bond Program.
- iii. Treat all information in a confidential manner with all recommendations to be stated only in the audit reports provided to the CPCFA for appropriate release by the CPCFA as required by law.
- iv. Upon release by the CPCFA, report results of the audit, and complete and file necessary forms, including requirements for conduit issuers to the Office of the State Controller.

3. Terms of Agreement

The term of the agreement will be for a two-year period with the option for the CPCFA to extend one additional year, with a not to exceed amount of \$40,000. The effective date of this agreement is either the start date or the approval date by the CPCFA whichever is later. No work shall commence until the effective date.

B. MINIMUM QUALIFICATIONS FOR PROPOSERS

In preparing the proposal, please provide your firm's response to the following qualifications and experience in the same order listed below in this RFP.

The firm must have, at minimum, the following qualifications and experience:

- a. Firm must have an office established in the State of California.
- b. Firm must be licensed to do business in the State of California.
- c. Firm must be a professional certified public accounting firm, not in public employment, in business for at least three years.
- d. Firm must have conducted, within the last five years, at least three audits of State governmental agencies, preferably agencies engaged in bond financing. The firm must have experience in State accounting and related processes.
- e. Firm must have sufficient staff to provide auditing services to the CPCFA to meet the tight deadlines outlined in Section A, Item 2, Scope of Service.
- f. Firm must not be a publicly traded corporation, or subsidiary thereof, that is incorporated offshore, but the United States is the principal market for the public trading of the corporation's stock.

Failure to meet the minimum qualifications will cause your proposal to be considered unresponsive and the proposal will be disqualified.

C. PROPOSAL REQUIREMENTS AND INFORMATION

1. Key Action Dates

All Proposers are advised of the following schedule and will be expected to adhere to the required dates and times. Note: Dates may be subject to change due to administrative processing.

Date	Action
August 11, 2016	RFP available to prospective firms
September 1, 2016	Written questions must be received by the CPCFA by 5:00 p.m.
September 8, 2016	Answers to written questions distributed
September 22, 2016	<u>Proposals are due</u> and must be received at the CPCFA office at P.O. Box 942809, Sacramento, California 95814 or Hand Delivered to 801 Capitol Mall, 2nd Floor, Sacramento, CA 95814 by 4:00 p.m.
September 28-29, 2016	Evaluation and selection of firms by evaluation committee.
October 6, 2016	Post Notice to Intend to Award
October 12, 2016	Proposed Award Date

2. Content of Proposal and Format

This RFP, the evaluation of the Proposals, and the award of any resultant contract will be governed generally by the rules of this section and applicable State policy.

The proposals must be organized in the format shown below and contain all of the information listed.

- a. Table of Contents
- b. Executive Summary – Summarize the highlights of the proposal and address areas for the types of services required
- c. Firm Experience, Personnel, and References – The CPCFA expects to have a close working relationship with the firm as evidenced by the scope of service listed above, and requires the demonstration of a high degree of experience, training and proficiency in the conduct of the various functions performed. The firm should have background in both accounting and auditing of conduit financing, including the issuance of conduit revenue bonds. In addition, the CPCFA expects that the firm will comply with current accounting and auditing standards and financing trends and will maintain appropriate expertise at the firm's own expense.

This section is intended for the firm to demonstrate its qualifications. Information provided will be used in the evaluation process as outlined on Page 7 of this Request for Proposals.

- i. Qualifications and Experience of Accounting/Auditing Firm – Discuss the overall experience of your firm that demonstrates your ability to successfully complete the Scope of Service (Section A, Item 2 of this RFP). Experience should include recent services provided to other conduit issuers of tax-exempt bonds, as well as services provided directly to such borrowers. Provide a detailed list of accounting/auditing services by client or transaction for the past three years as an attachment. Indicate if the accounting/auditing service provided was transaction specific or for a contracted period.

- ii. Qualification of Personnel/Resumes – Identify the personnel who will be providing the services required by the proposal, including years and type of experience for each person.

Experience should include number of years at current firm as well as all prior service. Experience in financing should be detailed. The lead person in charge of the CPCFA account must have at least five years of experience in public accounting and audits of State governmental agencies (Attachment 6).

The firm must ensure that the quality and availability of its personnel assigned to this agreement will be maintained over the term of the agreement. Any changes in assigned personnel are at the discretion of the firm, provided that any replacements have substantially the same as or better qualifications and experience than the original personnel. Include staff of subcontractors (if any).

- iii. References – Submit a list of at least three references (clients) to which the firm has provided similar accounting/auditing services within the past five years and contact numbers for each (Attachment 3).
- iv. Other Experience – Firms are invited to provide such other experience as may be relevant with any evidence supporting the response.
- v. Conflicts of Interest – Firms must disclose any business relationships which may be construed to be potential conflicts of interest. The CPCFA may request interviews of firms for the purpose of clarifying any situations that could be construed to be a conflict of interest, and has the sole and exclusive authority to disqualify a firm if the CPCFA determines a conflict exists.

3. Cost Detail Format and Requirements

The anticipated contract for auditing services will establish a maximum cost for each year over a two-year period with a possible one-year option to renew. The contractor will be compensated using an invoice procedure upon completion of each yearly audit.

The proposed work should be broken down into a work plan and work schedule. Use the Sample Cost Proposal Worksheet (Attachment 7) as a guide in preparing your cost estimate. The work plan must identify lead personnel, include anticipated employee hours, reflect the cost for preparation of reports, analysis, charts and other printed materials, anticipated travel, and other direct cost expenses. The proposal must include the rate for each fiscal year of the two-year contract (fiscal years 2015/2016, 2016/2017), and the one-year option to renew (fiscal year 2017/2018) for a total of three years. The total proposed fee schedule will be the basis for the scoring of the cost portion of the evaluation (see Attachment 7). Bids submitted with a fee schedule not in compliance with these requirements will be rejected.

The following formula will be used for the award of cost points:

Lowest cost proposal, based on the estimated Total Cost for Two-Year Contract Term from Attachment 7, is awarded the maximum cost points (30 points). Other proposals are awarded cost points based on the following calculation:

$$\text{Lowest Bidder's Cost} / \text{Other Bidder's Cost} = \text{Factor}$$

$$\text{Cost Points for Other Bidder} = \text{Factor} \times \text{Maximum Cost Points}$$

EXAMPLE: A maximum of 30 points is available

Lowest Bidders Cost Proposal = \$50,000

Other Bidder's Cost Proposal = \$60,000

Factor ($\$50,000/\$60,000$) = 0.83

Points awarded to Other Bidder: 25

4. Submission of Proposal

- a. Proposals should provide straightforward and concise descriptions of the firm's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies, or misstatements may be cause for rejection of a proposal.
- b. The proposal package should be prepared in the least expensive method.
- c. All proposals must be submitted under sealed cover and sent to CPCFA by dates and times shown in Section C, Proposal Requirements and Information, Item 1) Key Action Dates. Proposals received after this date and time will not be considered.
- d. A minimum of one original and six copies of the proposal must be submitted.**
- e. The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the firm. All additional proposal sets may contain photocopies of the original package.
- f. The proposal envelopes must be plainly marked with the RFP number and title, the firm name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

Subject – Request for Proposals – "Financial Audit Services"
RFP No. CPCFA05-16

California Pollution Control Financing Authority
Attn: Tajinder Kaur
P.O. Box 942809
Sacramento, CA 95814
(916) 651-0111

Or Hand Deliver to:

Tajinder Kaur
801 Capital Mall, 2nd Floor
Sacramento, CA 95814
(916) 651-0111

DO NOT OPEN

- g. If the proposal is made under a fictitious name or business title, the actual legal name of firm must be provided. Proposals not submitted under sealed cover and marked as indicated maybe rejected. Mail or deliver the proposals to the address indicated above.

- h. All proposals shall include the documents identified in Section E, Required Attachments and Programs. Proposals not including the proper "required attachments" shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.
- i. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- j. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. CPCFA may reject any or all proposals and may waive any immaterial deviation in a proposal. CPCFA's waiver of an immaterial deviation shall in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement.
- k. Costs for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the proposer and shall not be charged to the CPCFA, or the State of California.
- l. An individual who is authorized to bind the proposing firm contractually shall sign Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- m. A firm may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates (Section C, Item 1). The submission of a new proposal must comply with requirements of this section. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n. A firm may withdraw its proposal by submitting a written withdrawal request to the CPCFA, signed by the proposer or an authorized agent in accordance with l.) above. A firm may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
- o. The CPCFA may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.
- p. The CPCFA reserves the right to reject all proposals. The agency is not required to award an agreement.
- q. Before submitting a response to this solicitation, firms should review, correct all errors, and confirm compliance with the RFP requirements.
- r. Where applicable, the firm should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.
- s. More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered.
- t. **The CPCFA will not accept alternate contract language from the firm. A proposal with such language will be considered a counter proposal and will be rejected. The General Terms and Conditions (GTC) are not negotiable.**
- u. No oral understanding or agreement shall be binding on either party.
- v. Conflict of Interest: the bidder/Trustee firm needs to be aware of the provisions regarding current or former state employees. If a Trustee firm has any questions on the status of any person rendering

services or involved with the Agreement, the CPCFA must be contacted immediately for clarification (See Attachment 5, Contractor's Certification Clauses (CCC-307)).

5. Evaluation Process

- a. All proposals will be reviewed by an evaluation committee. At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP. The absence of required information will cause a proposal to be deemed unresponsive and may result in the proposal's disqualification.
- b. Proposals that contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the proposer, may be rejected.
- c. Award, if made, will be to the highest scored responsible proposal.
- d. Proposals that meet the Minimum Qualifications in Section B, and the Proposals Requirements in Section C will be evaluated and scored according to the criteria indicated below. The selection will be made on the basis of the following weighted factors. (Maximum points available for each criterion are noted.) A minimum of 75 points must be achieved to be considered responsive (a responsive proposal is one which meets or exceeds the requirements stated in this RFP). The selection will be made by an evaluation committee on the basis of the following weighted factors. (Maximum points available for each criterion are noted).

Rating/Scoring Criteria	Maximum Possible Points
i. <u>Qualifications of personnel</u> – The CPCFA will evaluate the individuals to be assigned to the contract on the basis of background and experience in related work.	25 Points
ii. <u>Experience as an accounting/auditing firm</u> – The CPCFA will evaluate the firm on the basis of the firm's overall experience demonstrating its ability to successfully complete the requirements identified in Section A 1) Introduction and 2) Scope of Service.	20 Points
iii. <u>Experience as an accounting/auditing firm to State governmental agencies</u> – The CPCFA will evaluate the firm on the firm's experience with State Accounting procedures and experience to other state or local government agencies.	25 Points
iv. <u>Cost</u> – The CPCFA will score the cost proposal based on the Cost Detail Format and Requirements.	30 Points
Maximum Total Possible Points	100 Points

6. Award and Protest

- a. Notice of the proposed award shall be posted in a public place in the office of CPCFA, 801 Capitol Mall, 2nd Floor, Sacramento, CA 95814, and on the following Internet site: <http://www.treasurer.ca.gov/cpcfai/index.asp> for five working days prior to awarding the agreement.
- b. If any proposer, prior to the award of agreement, files a protest with the CPCFA and the Department of General Services, Office of Legal Services, 707 Third Street, 7th Floor, Suite 7-330, West Sacramento, CA 95605, on the grounds that the (protesting) proposer would have been awarded

the contract had the agency correctly applied the evaluation standard in the RFP, or if the agency followed the evaluation and scoring methods in the RFP, the agreement shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter. It is suggested that the firm submit any protest by certified or registered mail.

- c. Within five (5) days after filing the initial protest, the protesting proposer shall file with the Department of General Services, Office of Legal Services and the CPCFA a detailed statement specifying the grounds for the protest.
- d. Upon resolution of the protest and award of the agreement, the firm must complete and submit to the CPCFA the Payee Data Record (STD 204), to determine if the firm is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 202016662 and 26131. This form can be found on the Internet at www.osp.dgs.ca.gov under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD 204 has been returned to the CPCFA.
- e. Upon resolution of the protest and award of the agreement, the firm must sign and submit to the CPCFA, Page One of the Contractor Certification Clauses (CCC), which can be found on the Internet at www.ols.dgs.ca.gov/Standard+Language.

7. Disposition of Proposals

- a. Upon proposal opening, all documents submitted in response to this RFP will become the property of the CPCFA and the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
- b. Proposal packages may be returned only at the firm's expense, unless such expense is waived by the CPCFA.

8. Agreement Execution and Performance

- a. Performance shall start on the express date set by the CPCFA and the selected firm, after all approvals have been obtained and the agreement is fully executed. Should the firm fail to commence work at the agreed upon time, the CPCFA, upon five days written notice to the firm, reserves the right to terminate the agreement. In addition, the firm shall be liable to the CPCFA for the difference between the firm's proposal price and the actual cost of performing work by another contractor.
- b. All performance under the agreement shall be completed on or before the termination date of the agreement.
- c. The CPCFA will not execute any subsequent letters or agreements with the firm after the award is executed.

D. PREFERENCE AND INCENTIVE PROGRAMS

1. Small Business or Microbusiness Preference

A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must be certified as a small business at the time the bid is submitted. The firm MUST include an updated copy of its Small Business Certificate to obtain the preference. The 5% preference is issued only for computation purposes to arrive at the successful firms and does not alter the amounts of the actual bids. Once each bid has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring bid is added to the total "earned"

points for each bid submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring bid.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940, or information can be found at: www.pd.dgs.ca.gov/Smbus/default.htm.

2. Non-Small Business Preference

A five percent (5%) bid preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the bid response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net bid price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the bid response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net bid price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract at least 25% of the net bid price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the bid due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net bid price shall be 5% of either the lowest, responsive, responsible firm's price or the highest responsive, responsible firm's total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

Questions regarding the non-small business bid preference should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940, or information can be found at: www.pd.dgs.ca.gov/Smbus/default.htm

E. DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)

1. Disabled Veteran Business Enterprise (DVBE) Program Requirements – MANDATORY

The State has established the Disabled Veteran Business Enterprise ("DVBE") Participation Goal Program for participation in state contracts. To be considered responsive to this RFP, proposals must meet the DVBE program requirements. **The minimum DVBE participation percentage is 3% for this solicitation.** Proposals that fail to comply with DVBE requirements will be rejected. To be considered responsive, proposals must include the following completed forms, as applicable:

- Bidder Declaration, GSPD-05-105 (08/09)

(<http://www.documents.dgs.ca.gov/pd/poliproc/MASTEr-BidDeclar08-09.pdf>)

All bidders must complete the Bidder Declaration, GSPD-05-105 and include it with the bid response. When completing the declaration, bidders must identify all subcontractors proposed for participation in the contract. Bidders awarded a contract are contractually obligated to use the subcontractors for the corresponding work identified unless the State agrees to a substitution and it is incorporated by amendment to the contract.

- DVBE Declarations, STD.843 (5/2006)

(<http://www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf>)

Bidders who have been certified by California as a DVBE (or who are bidding rental equipment and have obtained the participation of subcontractors certified by California as a DVBE) must also submit a completed form(s) STD. 843 (Disabled Veteran Business Enterprise Declaration). All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s).

At the State's option prior to award, bidders may be required to submit additional written clarifying information. Failure to submit the requested written information as specified may be grounds for bid rejection.

Contractor understands and agrees that should award of this contract be based in part on its commitment to use the DVBE subcontractor(s) identified in its bid or offer, per Military and Veterans Code section 999.5(e), a DVBE subcontractor may only be replaced by another DVBE subcontractor and must be approved by the Department of General Services ("DGS"). Changes to the scope of work that impact the DVBE subcontractor(s) identified in the bid or offer and approved DVBE substitutions will be documented by contract amendment.

Failure of Contractor to seek substitution and adhere to the DVBE participation level identified in the bid or offer may be cause for contract termination, recovery of damages under rights and remedies due to the State, and penalties as outlined in M&VC section 999.9; Public Contract Code ("PCC") section 10115.10.

2. Disabled Veteran Business Enterprise (DVBE) Incentive Program – OPTIONAL

This solicitation provides an incentive for DVBE participation. The Department of General Services ("DGS") established a DVBE incentive pursuant to Senate Bill 115, Chaptered October 3, 2005 and the military and Veterans Code section 999.5(a). The regulations apply to all competitive solicitations for public works, services, goods, and information technology goods and services posted or released after October 9, 2007. The DVBE incentive is required in solicitations that include DVBE program requirements and may be offered in other competitive solicitations. Department of General Services' policy implements this program by rewarding prime bidders for increased DVBE participation: the more DVBE participation, the greater the incentive. This incentive program helps State agencies to meet their annual DVBE participation goals.

Attachment 12 outlines the DVBE Incentive Program. To be considered for the DVBE Incentive, the DVBE Incentive Application Request form must be included with bid submittal. The DVBE Incentive participation is *optional* and at the discretion of the proposing firm.

NOTE: For this solicitation, the Incentive application is based on the High Score Method and shall not exceed five percent (5%), nor be less than three percent (3%) of the total score (see table in Attachment 12).

F. REQUIRED ATTACHMENTS

1. Required Attachments Check List (*Attachment 1*)

For the proposal to be considered responsive, all required attachments listed on **Attachment 1** must be included with the RFP by dates and times shown in Section C, Proposal Requirements and Information, Item 1, Key Action Dates (Page 4).

ATTACHMENT 1

REQUIRED ATTACHMENT CHECKLIST

A complete proposal will contain the items identified below, Attachments 1-9. (Attachments 10 and 11 are optional.)

Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should also be returned with your proposal package.

REQUIRED ATTACHMENTS

	<u>Attachment</u>		<u>Attachment Name/Description</u>
	Attachment	1	Required attachment Check List
	Attachment	2	Proposal/Proposer Certification Sheet
	Attachment	3	Proposer References
	Attachment	4	Payee Data Record (STD 204)
	Attachment	5	Contractor Certification Clauses (CCC-307)
	Attachment	6	Key Personnel and Experience
	Attachment	7	Sample Cost Proposal Worksheet
	Attachment	8	Darfur Contract Act
	Attachment	9	DVBE Program Requirements (GSPD 05105, STD 843)
	Attachment	10	DVBE Incentive Program Requirements

OPTIONAL ATTACHMENTS – STATE OF CALIFORNIA PREFERENCE PROGRAM INCENTIVES

Information is included for the following optional incentive programs. Bidders are encouraged to make use of any incentives that apply.

	Attachment	11	Small Business or Microbusiness Preferences
	Attachment	12	Non-Small Business Preferences

ATTACHMENT 2**PROPOSAL/PROPOSER CERTIFICATION SHEET**

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

Do not return Section C, Proposal Requirements and Information (pages 4 through 9) nor the "Sample Agreement" at the end of this RFP.

- A. Place all required attachments behind this certification sheet.
- B. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

An unsigned Proposal/Proposer Certification Sheet May be Cause for Rejection

1. Company Name	2. Telephone Number () -	2 a. Fax Number () -
3. Address		
Indicate your organizational type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. Signature	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business and Disabled Veteran Business Enterprise (OSDS) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/>	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/>	
If yes, enter certification number: _____	If yes, enter your service code below: _____	
NOTE: a copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSDS, if an application is pending.		

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the Proposer Certification Sheet by the following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSDS.

ATTACHMENT 3

PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive.

List below three references for services performed within the last five years, which are similar to the scope of work to be performed in this contract. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1			
Name of Firm			
Street Address			
City	State	Zip	
Contact Person	Telephone No.		
Dates of Service	Value or Cost of Service		
Brief Description of Service Provided			
REFERENCE 2			
Name of Firm			
Street Address			
City	State	Zip	
Contact Person	Telephone No.		
Dates of Service	Value or Cost of Service		
Brief Description of Service Provided			
REFERENCE 3			
Name of Firm			
Street Address			
City	State	Zip	
Contact Person	Telephone No.		
Dates of Service	Value or Cost of Service		
Brief Description of Service Provided			

ATTACHMENT 4

PAYEE DATA RECORD – STD 204

This form can be obtained at the following web address, or may be photocopied from the following page.

<http://www.dir.ca.gov/das/program/std204.pdf>.

ATTACHMENT 5

CONTRACTOR CERTIFICATION CLAUSES (CCC-307)

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

ATTACHMENT 6**KEY PERSONNEL & EXPERIENCE**

Name of Firm:	
Identify Key personnel (include partners, associates, etc.) who will be directly involved in providing the services	
Name:	Percent of Effort %
Title:	Office Location:
Phone Number:	Email:
Role:	
How Long in Current Position?	How Long Employed in Current Firm?
Experience	

Name of Firm:	
Identify Key personnel (include partners, associates, etc.) who will be directly involved in providing the services	
Name:	Percent of Effort %
Title:	Office Location:
Phone Number:	Email:
Role:	
How Long in Current Position?	How Long Employed in Current Firm?
Experience	

Include additional pages as needed

ATTACHMENT 7**SAMPLE COST PROPOSAL WORKSHEET**

DIRECT LABOR (Job description as applicable)	Hours	Rate Per Hour	Cost
Program Manager/Lead Personnel	_____ @	\$ _____	\$ _____
Manager	_____ @	\$ _____	\$ _____
Senior Associates	_____ @	\$ _____	\$ _____
Staff Associate	_____ @	\$ _____	\$ _____
Administrative Support (Job description)	_____ @	\$ _____	\$ _____
TOTAL DIRECT LABOR			\$ _____
SUBCONTRACTOR(S) COST ITEMIZED			\$ _____
INDIRECT COSTS (OVERHEAD AND FRINGE BENEFITS)			
Overhead Rate		_____	\$ _____
Fringe Benefits		_____	\$ _____
DIRECT COSTS (EXCEPT LABOR)			
Travel Costs (Mileage, Parking)			\$ _____
Equipment and Supplies (Itemized)			\$ _____
Other Direct Costs (Itemized)			\$ _____
TOTAL INDIRECT AND DIRECT COSTS			\$ _____
TOTAL PROPOSED FEE SCHEDULE			
(Cost portion of the evaluation will be scored based on the total proposed fee for fiscal year 2015/2016 & 2016/2017)			
FISCAL YEAR 2015/2016			\$ _____
FISCAL YEAR 2016/2017			\$ _____
Total Proposed Fee for Fiscal Years 2015/2016 & 2016/2017			\$ _____
FISCAL YEAR 2017/2018			\$ _____
(The fee for fiscal year 2017/2018 will not be utilized in the scoring process but must be reasonable as determined by the CPCFA to be considered an acceptable bid.)			

ATTACHMENT 8**DARFUR CONTRACTING ACT CERTIFICATION**

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a "scrutinized" company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Printed Name and Title of Person Initialing (for Options 1 or 2)</i>	

1. _____
Initials We do not currently have, and have not had within the previous three years, business activities or other operations outside of the United States.
- OR**
2. _____
Initials We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.
- OR**
3. _____
Initials
+ certification below We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

ATTACHMENT 9

CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)

PROGRAM REQUIREMENTS (GSPD 05-105, STD 843)

Please read the instructions carefully before you begin.

AUTHORITY. The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC), §10115 et seq., Military and Veterans Code (MVC), §999 et seq., and California Code of Regulations (CCR), Title 2, §1896.60 et seq. **Recent legislation has modified the program significantly in that a bidder may no longer demonstrate compliance with program requirements by performing a “good faith effort” (GFE).**

This solicitation includes a 3% minimum DVBE participation requirement.

Proposal must meet the California Disabled Veterans Business Enterprise (“DVBE”) Program Requirements and meet the minimum DVBE participation percentage of 3%. Please review this attachment and follow all instructions carefully. Proposals that fail to comply with the DVBE requirements will be rejected.

Bidders must document DVBE participation commitment by completing and submitting the following documents, as applicable:

- **Bidder Declaration**, GSPD-05-105 (all bidders)
(<http://www.documents.dgs.ca.gov/pd/poliproc/MASTEr-BidDeclar08-09.pdf>)
- **DVBE Declarations**, STD.843 (5/2006) (DVBE-certified bidders)
(<http://www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf>)

RESOURCES AND INFORMATION

For questions regarding bid documentation requirements, **contact the contracting official at the awarding department for this solicitation.** For a directory of SB/DVBE Advocates for each department go to: <http://www.pd.dgs.ca.gov/smbus/advocate.htm>.

The Department of General Services, Procurement Division (DGS-PD) publishes a list of trade and focus publications to assist bidders in locating DVBEs for a fee. To obtain this list, please go to www.pd.dgs.ca.gov/smbus and select:

- [DVBE Trade Paper Listing](#) (New 02/09) (pdf)
- [DVBE Focus Paper Listing](#) (New 02/09) (pdf)

U.S. Small Business Administration (SBA):

Use the Central Contractor Registration (CCR) on-line database.

Internet contact only –Database: www.ccr.gov/.

FOR:

Service-Disabled Veteran-owned businesses in California (Remember to verify each DVBE's California certification.)

Local Organizations: Go to www.pd.dgs.ca.gov/smbus and select: [DVBE Local Contacts](#) (New 02/09) (pdf)

FOR:

List of potential DVBE subcontractors

DGS-PD EProcurement

Website: www.eprocure.dgs.ca.gov

Phone: (916)375-2000

Email: eprocure@dgs.ca.gov

FOR:

- SB/DVBE Search
- CSCR Ads
- Click on Training tab to Access eProcurement Training Modules including: Small Business (SB)/DVBE Search

DGS-PD Office of Small Business and DVBE Services (OSDS)

707 Third Street, Room 1-400, West Sacramento, CA 95605

Website: www.pd.dgs.ca.gov/smbus

OSDS Receptionist, 8 am-5 pm: (916) 375-4940

PD Receptionist, 8 am-5 pm: (800) 559-5529

Fax: (916) 375-4950

Email: osdchelp@dgs.ca.gov

FOR:

- Directory of California-Certified DVBEs
- Certification Applications
- Certification Information
- Certification Status, Concerns
- General DVBE Program Info.
- DVBE Business Utilization Plan
- Small Business/DVBE Advocates

Commercially Useful Function Definition

California Code of Regulations, Title 2, § 1896.61(l):

The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of §1896.61(f); is certified in accordance with §1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing a commercially useful function.

As defined in MVC §999, a person or an entity is deemed to perform a "commercially useful function" if a person or entity does **all** of the following:

- Is responsible for the execution of a distinct element of the work of the contract.
- Carries out the obligation by actually performing, managing, or supervising the work involved.
- Performs work that is normal for its business services and functions.
- Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practices.

A contractor, subcontractor, or supplier will not be considered to perform a commercially useful function if the contractor's, subcontractor's, or supplier's role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of disabled veteran business enterprise participation.

ATTACHMENT 10

**DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)
INCENTIVE PROGRAM REQUIREMENTS**

DVBE Incentive Program for RFP

Under California Code of Regulations 1896.99.100, the California DVBE Incentive provides responsive and responsible firms the opportunity to receive additional incentive calculations. The incentive is applied at the time of solicitation evaluation when a proposing firm selects a California-certified DVBE subcontractor to provide services or commodities in support of the overall contract effort. Application of the DVBE Incentive *may* place the proposing firm in line for contract award.

The following are key elements of the DVBE Incentive Program.

- a. The DVBE Incentive is applied during the evaluation process and is *only* applied to responsive proposals from responsible firms proposing the percentage(s) of DVBE participation for the incentive(s) specified in the solicitation.
- b. DVBE Incentive participation is *optional* and at the discretion of the proposing firm.
- c. When requesting the Incentive application, bidding firms must complete and return the DVBE Incentive Application Request included within this solicitation with their proposal at time of submission.
- d. The Incentive is calculated by multiplying the solicitation's total points possible by the level of DVBE participation (%) identified by the responding firm. This amount is then added to the firm's total points to determine if they have the high score. Computation is for evaluation purposes only and cannot be used to achieve any applicable minimum point requirements. (CCR 1896.99.100 (d))
- e. Services or commodities provided by the DVBE firm **MUST** meet the definition of a "Commercially Useful Function" as defined under Government Codes: 14837; 14838.6; 14839; 14842; 14842.5 and Military and Veterans Code 999 and 999.6. A DVBE firm not meeting CUF regulations will render the responding firm ineligible for the DVBE Incentive application.

DVBE Incentive Application Based on High Score Method

Because this solicitation is being conducted as a Request for Proposals (RFP), the DVBE Incentive application will be based on the High Score method and follows the guidelines identified below:

- Application of the incentive is based on the High Score Method. The Incentives shall not exceed 5 percent, nor be less than 1 percent of the total possible available points, not including points for socioeconomic incentives or preferences. (CCR 1896.99.120 (b)).
- Incentive points are included in the sum of non-cost points
- Incentive points cannot be used to achieve any applicable minimum point requirements
- Incentive points may be a "desirable" administrative requirement that awards points based on amounts of participation.

Solicitation is to be awarded based on High Score. A bidder who meets or exceeds DVBE participation requirements specified in the solicitation will receive proposal evaluation points as shown below:

Confirmed DVBE Participation of:	Incentive Amount
5%	5 points
4%	4 points
3%	3 points

Bidder Instructions for DVBE Incentive Application Request:

1. Complete information in Section A:
2. Fax this form to DVBE firm to complete Section B.
3. Instruct the DVBE firm to provide a copy of their DGS Office of Small Business and DVBE Services Certification/confirmation of its DVBE certification status.
4. This form must be included with your bid submittal to be considered for the DVBE Incentive application.
5. When using a DVBE subcontractor, the subcontractor must perform a commercially useful function.

DVBE INCENTIVE APPLICATION REQUEST

Under the DVBE Incentive Regulations, CCR 1896.99.100, I request the application of the DVBE Program Incentive to RFP #CPCFA05-16 to determine if my firm may be in line for bid award.

- a. I understand that the DVBE Incentive application will be applied using the "High Score Method" and cannot be used to achieve any applicable minimum point requirements.
- b. I understand the DVBE firm(s) selected must provide a "Commercially Useful Function" as required under MVC Section 999.9 of the (SB/NVA and DVBE) and GC section 14842 (SB/MB).
- c. I understand I will be required to report my firm's DVBE activities quarterly to CAEATFA's program contract manager until the DVBE participation incentive level my firm has identified has been met.
- d. I understand that subsequent amendments to the contract may require continued use of the identified DVBE firm if that contract amendment adds additional funding for continued services.
- e. As the Bidding firm, I identify the following percentage of DVBE participation for this solicitation: ____ %

SECTION A - BIDDING/PROPOSING FIRM INFORMATION

Firm Name		
Firm Representative	Title	
Firm Address		
City	State:	ZIP
Firm Telephone	Firm Fax	
Firm Email Contact		
SECTION B – PROPOSED DVBE FIRM(S)		
Firm Name		
Firm Representative	Title	
Firm Address		
City:	State	ZIP
Firm Telephone	Firm Fax	
Firm Email Contact:		
DVBE Certification - DGS OSDS No.	Date of Expiration	

ATTACHMENT 11

(Optional)

SMALL BUSINESS OR MICROBUSINESS PREFERENCE *(Optional)*

Attach proof in claiming Small Business or Microbusiness Preference, if applicable

Small Business or Microbusiness Preference - www.dgs.ca.gov/pd/Programs/OSDS/SBEligibilityBenefits.aspx

A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must be certified as a small business at the time the bid is submitted. **The firm MUST include an updated copy of its Small Business Certificate to obtain the preference.** The 5% preference is issued only for computation purposes to arrive at the successful firms and does not alter the amounts of the actual bids. Once each bid has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring bid is added to the total “earned” points for each bid submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring bid.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940 or can be found at the website listed above.

ATTACHMENT 12

(Optional)

NON-SMALL BUSINESS PREFERENCE *(Optional)*

Attach proof in claiming Non-Small Business Preference, if applicable

Non-Small Business Preference - www.dgs.ca.gov/pd/Programs/OSDS/SBEligibilityBenefits.aspx

A five percent (5%) bid preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the bid response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net bid price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the bid response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net bid price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract at least 25% of the net bid price with one or more California certified small businesses. **Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the bid due date, and the OSDS must be able to approve the application as submitted.** Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net bid price shall be 5% of either the lowest, responsive, responsible firm's price or the highest responsive, responsible firm's total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

AGREEMENT NUMBER

CPCFA05-16

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Pollution Control Financing Authority (CPCFA)

CONTRACTOR'S NAME

(To be determined)

2. The term of this Agreement is: August 1, 2016 through June 30, 2018

3. The maximum of this Agreement is: **\$ 40,000.00**
Forty Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Services	3 pages
Exhibit B – Budget Detail and Payment Provisions	2 pages
Exhibit C* – General Terms and Conditions	GTC-610*
Check mark one item below as Exhibit D:	
<input checked="" type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)	7 pages
<input type="checkbox"/> Exhibit - D* Special Terms and Conditions	
Exhibit E – Additional Provisions	1 page
Attachment 1 – Text of SB 99, Attachment	6 pages
Attachment 2 – Minimum Audit Requirements	10 pages
Attachment 3 – Special District Financial Transactions Report	10 pages

RFP CPCFA05-16 and Contractor's response thereto are hereby incorporated by reference and made a part of this Agreement.

Items shown with an Asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.*

These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

(To be determined)

BY (Authorized Signature)



DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

California Pollution Control Financing Authority

BY (Authorized Signature)

PRINTED NAME AND TITLE OF PERSON SIGNING

Reneé Webster-Hawkins, Executive Director

ADDRESS

801 Capitol Mall, 2nd Floor, Sacramento, CA 95814

**California Department of General
Services Use Only**

☒ Exempt per: SCM Vol. 1
Chapter 4.04.A.2

EXHIBIT A
(Standard Agreement)

1. SCOPE OF SERVICES

The selected firm ("Contractor") will be expected to provide audit and examination services as described herein. Pursuant to the passage of Senate Bill 99 (SB 99), the audit must comply with the Office of the State Controller's ("SCO") minimum standards for conducting audits (see Attachment B, Sample Standard Agreement). SCO's audit and reporting requirements may be subject to change. As a result, the firm must be prepared to incorporate any additional legal or industry requirements for the performance of audits as may be disseminated by the SCO subsequent to the initial circulation of this RFP (refer to Attachments A, B, C, & D, Sample Standard Agreement).

a. Audit and Examination

In addition to any other requirements, the selected firm will perform an audit and examination of the financial statements of the CPCFA's bond financing accounts and records as required by law and include the following:

- i. A disclosure of fees imposed on borrowers by or on behalf of the CPCFA's Bond Program.
- ii. A disclosure of expenditures related to those fees made by or on behalf of the CPCFA's Bond Program.
- iii. The dollar amount and nature of these fees and expenses.
- iv. A disclosure of the amount of bonds authorized but unsold at the end of the time period covered by the audit.
- v. A disclosure of the amount of bonds the CPCFA has issued during the period covered by the audit and the amount of debt still outstanding at the end of the time period covered by the audit. Attached is a summary of the CPCFA's applicants and borrowers for fiscal years **2014/2015** and **2015/2016**, which can be used as an indicator of the type and quantity of activity for future years (see Exhibit D to Section E, Sample Standard Agreement).

b. Audit Report and Findings

- i. The report shall be prepared in the format as outlined in the Minimum Audit Requirements and Reporting Guidelines of the Office of the State Controller (see Attachment B, Sample Standard Agreement).
- ii. The report shall include a statement of the scope of the audit and examination for each Bond Program Fund; the period covered by the audit and examination; and a list of the financial statements included in the report.
- iii. The report and findings shall include a statement of material audit findings and recommendations regarding the financial statements, internal control and accounting systems, and legality of actions for each Bond Program Fund.
- iv. Audited financial statements in the report shall include a "Statement of Operations", "Statement of Assets and Liabilities" (Balance Sheet), and a "Statement of Cash Flows" for each Bond Program Fund.
- v. The audit report shall include any other material information required by the CPCFA or the SCO, or under the Government Code.
- vi. One audit report will be for fiscal year **2015/2016**. A second audit report will be for fiscal year **2016/2017**. If the contract is extended by the CPCFA, a third audit report will be for fiscal year **2017/2018**.

EXHIBIT A
(Standard Agreement)

- vii. Contractor shall review each proposed report with the CPCFA staff prior to finalizing and reporting results of the audit to the Office of the State Controller.
- viii. The audit must meet the reporting time frame requirements of the Office of the State Controller (see Attachment B to Section F, Sample Standard Agreement). Currently, it is anticipated that each audit should be conducted and completed by June 30 of the following fiscal year. The audit submittal time frame is subject to change upon further instruction from the Office of the State Controller.
- ix. One original and twenty copies of each report shall be prepared with provision for additional copies upon request; and an electronic version shall also be provided in PFD format.
- x. In all respects, represent the best interests of the CPCFA and the State of California in all transactions and proceedings.

The CPCFA will obtain all available accounting records and data necessary for the contractor's performance of the work described herein, and the CPCFA will provide office workspace and furnishings if needed, adjacent to its offices at 801 Capitol Mall, 2nd Floor, Sacramento, California 95814. All other equipment or materials are to be provided by the Contractor.

Contractor shall be responsive to the CPCFA staff regarding the status of the audit including promptly responding to emails and telephone calls. The firm shall keep the CPCFA staff apprised of information needed and outstanding issues. The firm shall meet deadlines set by the CPCFA staff.

c. Standards and Requirements

The audit will include an evaluation of the CPCFA's internal controls in accordance with generally accepted auditing standards as set forth in *Statements on Auditing Standards*, published by the American Institute of Certified Public Accountants, and the Office of the State Controller's *Minimum Audit Requirements for California Special Districts* (Attachment B). The audit and examination will include such tests of the accounting records and procedures as are necessary for the expression of the firm's opinion, in compliance with Rule 58 of the State Board of Accountancy, on the financial statements taken as a whole, in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), and general provisions of State law. At a minimum, Contractor shall, for each audit and examination:

- i. Confirm assets held by the CPCFA for each Bond Program fund.
- ii. Verify the bonds outstanding for the Bond Program.
- iii. Treat all information in a confidential manner with all recommendations to be stated only in the audit reports provided to the CPCFA for appropriate release by the CPCFA as required by law.
- iv. Upon release by the CPCFA, report results of the audit, and complete and file necessary forms, including requirements for conduit issuers to the Office of the State Controller.

2. TERMS OF AGREEMENT

The term of the agreement will be for a two-year period with the option for the CPCFA to extend one additional year, with a not to exceed amount of \$40,000. The effective date of this agreement is either the start date or the approval date by the CPCFA whichever is later. No work shall commence until the effective date.

EXHIBIT A
(Standard Agreement)

1. PROJECT REPRESENTATIVES

The project representatives during the term of this agreement will be:

State Agency: California Pollution Control Financing Authority (CPCFA)	Contractor: To Be Determined
Name: Tajinder Kaur	Name:
Office 801 Capitol Mall, 2 nd Floor Location: Sacramento, California 95814 Mailing P.O. Box 942809 Address: Sacramento, CA 94209	Address:
Phone: (916) 651-0111	Phone:
Fax: (916) 657-4821	Fax:
Email: tkaur@treasurer.ca.gov	Email:

Direct all inquiries to:

State Agency: California Pollution Control Financing Authority (CPCFA)	Contractor: To Be Determined
Attention Deanna Hamelin, TPM I	Attention:
Office 801 Capitol Mall, 2 nd Floor Location: Sacramento, California 95814 Mailing P.O. Box 942809 Address: Sacramento, CA 94209	Address:
Phone: (916) 657-4337	Phone:
Fax: (916) 657-4821	Fax:
Email: dhamelin@treasurer.ca.gov	Email:

EXHIBIT B
(Standard Agreement)

Request for Proposal
CPCFA05-16
Page 1 of 2

1. BUDGET DETAIL AND PAYMENT PROVISIONS

a. Invoicing and Payment

For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor in arrears for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.

Invoices shall be provided to the CPCFA **monthly** and shall include Agreement Number CPCFA05-16, the specific date (month, day and year) covered by the invoice.

Provide a detailed description of each of the services completed or the service provided including, at a minimum:

- i. The specific task the invoiced services fall under;
- ii. For review of documents, a brief description of the document reviewed;
- iii. For attendance, or preparation for attendance, at a meeting, hearing, or other event, a brief description of the purpose of the meeting, hearing or event;
- iv. For telephone conversations, the name of the party with whom you spoke and a brief description of the subject matter discussed;
- v. For strategy conferences, the name of the parties participating in the strategy conference and a brief description of the subject matter discussed; and
- vi. For research, a brief description of the issues researched.

Mailing Address: Renee Webster-Hawkins, Executive Director
California Pollution Control Financing Authority P.O. Box 942809
Sacramento, California 95814

Office Location: Renee Webster-Hawkins
California Pollution Control Financing Authority
801 Capitol Mall, 2nd Floor
Sacramento, CA 95814

Any change in the professional staff or subcontractors, whether by substitution or addition of staff, must be approved in writing in advance by the CPCFA Executive Director and must be accompanied by a resume.

b. Budget Contingency Clause

- i. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- ii. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

c. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT B
(Standard Agreement)

Request for Proposal
CPCFA05-16
Page 2 of 2

SAMPLE BILLING

(Contractor Firm's Letterhead)

Mailing Address:

The California Pollution Control Financing Authority (CPCFA)
Attn: Reneé Webster-Hawkins, Executive Director
P.O. Box 942809
Sacramento, CA 94209

Office Location:

The California Pollution Control Financing Authority (CPCFA)
Attn: Reneé Webster-Hawkins, Executive Director
801 Capital Mall, 2nd Floor
Sacramento, CA 95814

Agreement No: **CPCFA05-16**

Project No. and Description: _____

Fees and expenses for audit services in connection with the Bond Program

[Month Day, 20xx] through [Month Day, 20xx]

Key Personnel Name and Title/Classification	Services provided	Hours	Amount/ Hour	Sub-total	Total
1.			\$	\$	\$
2.					
3.					
4.					
5.					
6.					
TOTALS					\$ TOTAL

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS

Exhibit C to this Agreement, the General Terms and Conditions (GTC-610), is hereby incorporated by reference and made part of this Agreement as if attached hereto. The General Terms and Conditions may be viewed and downloaded at www.ols.dgs.ca.gov under Standard Contract Language.

SAMPLE

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. Excise Tax

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. Settlement of Disputes

In the event of a dispute, Contractor shall file a "Notice of Dispute" with a Deputy Treasurer of the State Treasurer's Office within ten (10) days of discovery of the problem. Within ten (10) days, the Deputy Treasurer shall meet with the representatives of Contractor and the State identified in Paragraph 3 of Exhibit A for purposes of resolving the dispute. The decision of the Deputy Treasurer shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of any bid proposal.

3. Evaluation of Contractor

Pursuant to Public Contract Code sections 10367 and 10369 within sixty (60) days after the completion of this Agreement, the State shall complete a written evaluation of Contractor's performance under this Agreement. If this Agreement is a contract for consultant services and if Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services (DGS), Office of Legal Services, and to the Contractor within fifteen (15) working days of the completion of the evaluation in accordance with Public Contract Code section 10371.

4. No Agency Liability

The Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. Potential Subcontractors

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its

EXHIBIT D
(Standard Agreement)

subcontractors is an independent obligation from the obligation of the State to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

6. Force Majeure

Neither party to this Agreement shall be liable for damages resulting from delayed or defective performance when such delays arise out of causes beyond the control and without the fault or negligence of the offending party. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the State in its sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

7. Waivers

No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8. Incorporation of Amendments to Applicable Laws

Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

9. Confidentiality

All financial, statistical, personal, technical and other data and information relating to the operations of the State which are designated confidential by the State and become available to Contractor shall be protected by Contractor from unauthorized use and disclosure.

10. Titles/Section Headings

Titles and headings are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

11. Choice of Law

Notwithstanding Paragraph 14 of Exhibit C (General Terms and Conditions), this Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder, including any action to compel arbitration or to enforce any award or judgment rendered thereby, shall be brought in state court sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

EXHIBIT D
(Standard Agreement)

12. Notices

The parties agree that to avoid unreasonable delay in the progress of the services performed hereunder, Contractor and the State have designated in Paragraph 3 of Exhibit A specific staff representatives for the purpose of communication between the parties. Any notice or other written communication required or which may be given hereunder shall be deemed given when delivered personally, or by mail three (3) days after the date of mailing, unless by express mail then upon the date of confirmed receipt, to the representatives named in Paragraph 3 of Exhibit A.

Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

13. Permits and Licenses

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

14. Books and Records

Contractor shall keep accurate books and records connected with the performance of this Agreement for a period of at least three (3) years. Contractor shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location and shall be available for inspection and copying by the State and its representatives at any time.

15. Key Personnel

- a. A resume for each member of Contractor's staff who will exercise a significant administrative, policy, or consulting role under this Agreement is attached to this Agreement as Attachment 1 to Exhibit A. These members of Contractor's staff shall be hereafter referred to (both individually and collectively) as "Key Personnel."
- b. Contractor shall not substitute, replace or reassign Key Personnel without the prior approval of the State and an amendment to this Agreement.
- c. This Agreement may be terminated immediately, in the sole discretion of the State and upon written notice from the State to Contractor, because of any change in or departure of any of the Key Personnel.

16. Changes in Control, Organization or Key Personnel

Contractor shall promptly, and in any case within five (5) days, notify the State in writing: (i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercises a significant administrative, policy, or consulting role under this Agreement, including without limitation any Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in

**EXHIBIT D
(Standard Agreement)**

Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit the State to evaluate the changes within Contractor's staff or organization under the same criteria as was used by the State in its award of this Agreement to Contractor.

17. Insurance Requirements

Contractor warrants that it carries adequate liability, worker's compensation and other necessary insurance and shall maintain such insurance at levels acceptable to the State in full force and effect during the term of this Agreement. Contractor agrees to furnish satisfactory evidence of this insurance coverage to the State upon request.

18. Subcontractors

- a. Contractor shall perform the work contemplated by this Agreement with resources available within its own organization except for subcontracted work identified in this Agreement or other attachment incorporated hereto. No other portion of the work pertinent to this Agreement shall be subcontracted without written authorization by the State. The subcontractor must be mutually agreed upon in advance by both parties.
- b. Contractor shall require that any subcontractor agree to be bound by all provisions of this Agreement, as applicable.

19. Notice of Proceedings

Contractor shall promptly notify the State in writing of any investigation, examination or other proceeding involving Contractor, including any Key Personnel, commenced by any regulatory agency, which proceeding is not conducted in the ordinary course of Contractor's business.

20. Cumulative Remedies

The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

21. Binding Effect

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions and obligations of Contractor and the State contained therein, shall be binding upon the parties and their successors, assigns and legal representatives.

22. Publicity

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by the State.

23. Services or Procurement Resulting from Agreement

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any

**EXHIBIT D
(Standard Agreement)**

other related action which is required, suggested, or otherwise deemed to be an outgrowth of the advice or recommendations that Contractor provides under this Agreement.

24. Agreement Does Not Violate Law

Contractor represents and warrants that neither the execution of this Agreement nor the acts contemplated hereby nor compliance by Contractor with any provisions hereof will:

- a. Violate any provision of the charter documents of Contractor;
- b. Violate any statute or law or ordinance or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Contractor; or
- c. Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the violation of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities or condition (financial or otherwise) of Contractor.

25. Power and Authority

Contractor represents and warrants that it has the power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution of this Agreement has been duly authorized by Contractor and no other proceeding on the part of Contractor is necessary to authorize this Agreement. Contractor has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority for its acts contemplated by this Agreement.

26. Signature Authorization

The person signing this Agreement warrants that he/she is an agent of Contractor and is duly authorized to enter into this Agreement on behalf of Contractor.

27. Entire Agreement; Order of Precedence

- a. This Agreement, including documents that have been incorporated in this Agreement by reference, contains all representations and the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement. The CPCFA will not accept alternate contract language after this agreement.
- b. In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used: (i) applicable laws; (ii) the terms and conditions of this Agreement, including exhibits and attachments; (iii) the Request for Proposal (RFP) if any; (iv) Contractor's response to the RFP if any; and (v) any other provisions, terms, or materials incorporated herein.

28. Termination at Option of the State

In addition to the provisions of Paragraph 7 of Exhibit C (General Terms and Conditions), this Agreement may be terminated in whole or in part at any time upon thirty days' written notice

**EXHIBIT D
(Standard Agreement)**

by the State, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise. In the event the State terminates all or a portion of this Agreement for any reason, it is understood that the State will provide payment to Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum amount of this Agreement.

29. Termination for Insolvency

Contractor shall notify the State immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the foregoing events, or if the State determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, the State may terminate this Agreement and all further rights and obligations immediately.

30. Completion

In the event of termination for default, the State reserves the right to take over and complete the work by contract or other means. In such case, Contractor will be liable to the State for any additional cost incurred by the State to complete the work whether reimbursed or not.

31. Effect of Termination

All duties and obligations of the State and Contractor shall cease upon termination of this Agreement, except that:

- a. Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination; and
- b. Contractor shall provide for the return of all records of the State to the State or its designee and shall cooperate fully to effect an orderly transfer of services.

32. Termination for Expatriation

Contractor shall notify the State immediately in writing in the event that Contractor or its parent files any notice with the Securities and Exchange Commission that Contractor intends to reincorporate offshore. In the event of such notice, the State may terminate this Agreement and all further rights and obligations immediately by giving five (5) days' notice in writing in the manner specified herein.

33. Compliance With Political Reform Act

Contractor acknowledges that the State is subject to the provisions of the Political Reform Act (Government Code section 81000 et seq. and all regulations adopted thereunder, including, but not limited to, California Code of Regulations, title 2, section 18700 et. seq.) and Contractor shall comply promptly with any requirement thereunder. If required by law, Contractor shall require its personnel, including without limitation, its Key Personnel all later substitutions therefore, to file Statements of Economic Interests in compliance with the Conflict of Interest Code for the Office of the State Treasurer

EXHIBIT D
(Standard Agreement)

and the various boards, authorities, commissions, and committees chaired by the State Treasurer (California Code of Regulations, title 2, section 1897). All such reports shall be filed simultaneously with the State.

34. Darfur Contracting Act

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code section 10475 et seq.) The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan of which the Darfur region is a part, for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a).)

Therefore, Public Contract Code section 10478(a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a "scrutinized" company when it submits a bid or proposal to a State agency. A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from DGS according to the criteria set forth in Public Contract Code section 10477(b).

35. Disabled Veteran Business Participation

- a. Contractor agrees that as contractor of the State, it will meet the requirements of the State's policies that embrace section 10115 et seq. of the Public Contract Code regarding 3% Disabled Veteran Business Enterprise (DVBE) participation goal for state contracts.
- b. Nothing shall be construed to authorize Contractor to discriminate in the solicitation or acceptance of bids for subcontracting, or for materials or equipment, on the basis of race, color, sex, ethnic origin or ancestry.
- c. Contractor agrees to provide the State or its delegate with any information reasonably necessary to comply with the obligations set forth in the applicable provisions of Public Contract Code section 10115 et seq. Upon reasonable notice, Contractor shall permit the State or its delegate access to Contractor's premises during normal business hours to interview employees and to inspect and copy books, records, accounts, and other materials for the purpose of determining compliance with the applicable provisions of Public Contract Code section 10115 et seq. and California Code of Regulations, title 2, section 1896.60 et seq. Contractor further agrees to maintain such records for a period of three (3) years after final payment under this Agreement. Contractor further agrees to make this paragraph applicable to all subcontracts entered hereunder.

EXHIBIT E
(Standard Agreement)

ADDITIONAL PROVISIONS

1. CONFLICT OF INTEREST; NO PROFIT

- A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.
- B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

ATTACHMENT A

Senate Bill No. 99

CHAPTER 557

An act to amend Section 6547 of, to add Sections 6503.6, 6548.5, 6592.1, and 53895.7 to, and to add Chapter 10.7 (commencing with Section 5870) to Division 6 of Title 1 of, the Government Code, relating to joint exercise of powers.

[Approved by Governor October 11, 2009. Filed with
Secretary of State October 11, 2009.]

legislative counsel's digest

SB 99, Committee on Local Government. Joint exercise of powers: reporting and disclosures.

Under the Marks-Roos Local Bond Pooling Act of 1985, a joint exercise of powers authority may issue or purchase bonds to assist local agencies in financing public capital improvements, working capital, liability, or other insurance needs, or projects whenever there are significant public benefits for taking that action. Under the Ralph M. Brown Act, all meetings of the legislative body of a local agency must, subject to designated exceptions, be open and public. That act requires the legislative body to hold regular meetings, and permits the legislative body to hold special and emergency meetings, requiring certain notices and agendas.

This bill would require additional reporting and public disclosures by specified public entities that issue certain revenue bonds, including conduit revenue bonds, as defined. This bill would require entities formed under the Joint Exercise of Powers Act, and related officers, that fail or refuse to make required reports to forfeit specified amounts to the state, and would authorize, under certain conditions, the Attorney General to prosecute an action for these forfeitures. This bill would require that a resolution issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985 relating to bonds, as specified, be adopted by the local agency during a regular meeting.

The people of the State of California do enact as follows:

SECTION 1. Chapter 10.7 (commencing with Section 5870) is added to Division 6 of Title 1 of the Government Code, to read:

**Chapter 10.7. Conduit Financing Transparency and
Accountability**

5870. As used in this chapter, the following definitions apply:

(a) "Conduit financing" means the issuance of conduit revenue bonds.

(b) “Conduit financing provider” means any county, city, city and county, public district, public authority, public corporation, nonprofit corporation, joint powers authority, or other statutorily constituted public entity that issues one or more conduit revenue bonds.

(c) “Conduit revenue bond” means any municipal security the proceeds of which are loaned to any nongovernmental borrower, including, but not limited to, persons, for-profit corporations, nonprofit corporations pursuant to Section 501(c)(3) of the Internal Revenue Code, partnerships, and other legal entities for purposes that are permitted for qualified private activity bonds under applicable federal law.

5871. A conduit financing provider shall make the following information available on its Internet Web site, to the extent that it maintains an Internet Web site:

(a) Agendas for regular meetings posted by a conduit financing provider pursuant to Section 54954.2.

(b) Notices of special meetings posted by a conduit financing provider pursuant to Section 54956.

(c) Notices of meetings of a conduit financing provider provided pursuant to Section 11125.

(d) Staff reports on the items included on the agendas listed in subdivisions (a), (b), and (c).

(e) Minutes of the meetings for which the agendas listed in subdivisions (a), (b), and (c) were produced.

(f) Audits of the conduit financing provider’s accounts and records.

(g) Copies of reports of the conduit financing provider’s annual financial transactions required pursuant to Section 12460 or 12463.

(h) Annual lists of applications approved for financing by the governing body of the conduit financing provider for any fiscal year in which at least one application is approved.

5872. (a) When an audit of a conduit financing provider’s accounts and records is required by law, in addition to any other requirements, the audit shall include all of the following:

(1) A disclosure of fees imposed on borrowers by, or on behalf of, the conduit financing provider.

(2) A disclosure of expenditures related to those fees made by or on behalf of the conduit financing provider.

(3) The dollar amount and nature of these fees and expenses.

(4) A disclosure of the amount of bonds authorized but unsold at the end of the time period covered by the audit.

(5) A disclosure of the amount of debt the conduit financing provider has issued during the period covered by the audit and the amount of debt still outstanding at the end of the time period covered by the audit.

(b) An audit of a conduit financing provider’s accounts and records shall be made publicly available pursuant to the California Public Records Act (Article 1 (commencing with Section 6250) of Chapter 3.5 of Division 7).

(c) Notwithstanding any other reporting periods permitted pursuant to subdivision (f) of Section 6505, Section 26909, or any other provision of

law, a conduit financing provider shall annually conduct an audit of its accounts and records and report the results of that audit to the Controller. The minimum requirements of the annual audit and report shall be prescribed by the Controller and conform to generally accepted auditing standards.

SEC. 2. Section 6503.6 is added to the Government Code, to read:

6503.6. Whenever an agency or entity files a notice of agreement or amendment with the office of the Secretary of State pursuant to Section 6503.5, the agency or entity shall file a copy of the full text of the original joint powers agreement, and any amendments to the agreement, with the Controller.

SEC. 3. Section 6547 of the Government Code is amended to read:

6547. The power of the entity to issue revenue bonds is additional to the powers common to the parties to the joint powers agreement, but shall not be exercised until authorized by the parties to that agreement. However, in the case of the issuance of revenue bonds by a fair and exhibition authority this authorization shall not be required. In the case of the issuance of revenue bonds by an entity created pursuant to this chapter to construct bridges and major thoroughfares, as referred to in Section 66484.3, the power of the entity to issue revenue bonds shall be exercised by a resolution adopted by a majority vote of the governing body of the entity during a regular meeting held pursuant to Section 54954. However, no member of the entity may vote on the question of bond issuance unless the member has been authorized to vote on that particular question by previous resolution of the public agency the member represents. In the case of the issuance of revenue bonds by an entity created pursuant to this chapter to carry out a consolidated transportation corridor project, as referred to in Section 6546.13, the power of the entity to issue revenue bonds shall be exercised by a resolution adopted by a majority vote of the governing body of the entity. In the case of a project for the generation or transmission of electric energy or a project for the disposal, treatment, or conversion to energy and reusable materials of solid waste, or a project for an intermodal container transfer facility, or a project for the construction of bridges and major thoroughfares pursuant to Section 66484.3, this power shall include the power to issue notes for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of a project, and for the purpose of providing temporary financing of costs of construction or acquisition of a project. These notes may be issued at public or private sale, and may be renewed from time to time, and the principal and interest with respect thereto may be made payable from the revenues of the entity unless paid from the proceeds of revenue bonds.

Every local agency shall make any authorization, as permitted under the first sentence of this section, by ordinance, unless otherwise prescribed in this section. Except as provided in this section, the ordinance shall describe in general terms the project, or projects, to be funded by the revenue bonds, the maximum amount of the bonds proposed to be issued, and the anticipated sources of revenue to redeem the bonds. In the case of a project for the generation or transmission of electric energy or a project for the disposal,

treatment, or conversion to energy and reusable materials of solid waste, or a project for an intermodal container transfer facility, or a project for the construction of bridges and major thoroughfares pursuant to Section 66484.3, the ordinance shall describe in general terms the project or the studies or other preliminary costs therefor to be funded by the revenue bonds or notes, the estimate of the maximum amount of bonds to be issued for the project or the studies or other preliminary costs, and the anticipated sources of revenue or other funds to pay the principal of and interest on the bonds or notes. In the case of a project for a consolidated transportation corridor pursuant to Section 6546.13, the authorizing resolution shall describe in general terms, the project or projects to be funded by the revenue bonds, the maximum amount of bonds proposed to be issued for the project or projects, and the anticipated sources of revenue or other funds to pay the principal of and interest on the bonds. However, the statement of the estimated maximum amount of the bonds or notes shall not be deemed to prevent the authorization by the ordinance of the issuance of bonds or notes by the entity in amounts that may exceed the estimate without further authorization under the ordinance if and to the extent the additional bonds or notes shall be required to complete the financing of the project or the studies or other preliminary costs. Each ordinance shall state that it is subject to the provisions for referendum prescribed by Section 9142 of the Elections Code.

A separate authorization shall be required for each separate bond issue proposed by the entity, except that, in the case of a project for the generation or transmission of electric energy or a project for the disposal, treatment, or conversion to energy and reusable materials of solid waste, or a project for an intermodal container transfer facility, or a project for the construction of bridges and major thoroughfares pursuant to Section 66484.3, a single authorization shall be sufficient for bonds that may be issued in installments from time to time for a project or the costs of studies or other preliminary costs therefor that shall be identified in the authorization.

The requirement of an ordinance and the right to referendum thereon shall not apply to the issuance of revenue bonds if, prior to March 4, 1971, one or more local or public agencies shall have taken formal action to implement any one or more projects to be acquired or constructed pursuant to a joint powers agreement. Formal action to implement any one or more projects shall include, but not be limited to, any of the following:

- (a) The incurring of liability for a substantial portion of an architectural or engineering contract or other contract relating to a project.
- (b) The acquisition of land or improvements for the project.
- (c) The making of a substantial contribution toward the project.

Notwithstanding the requirement that parties to a joint powers agreement authorize the issuance of revenue bonds, in the case of a project that consists of the generation or transmission of electric energy financed in whole or in part by the issuance of revenue bonds, only those local agencies that contract to make payments to be applied to the payment of the revenue bonds shall be required to authorize the issuance of the revenue bonds.

Any authorizations required by this section for the issuance of revenue bonds to construct bridges and major thoroughfares projects pursuant to Section 50029 or 66484.3 may be by ordinance or resolution.

SEC. 4. Section 6548.5 is added to the Government Code, to read:

6548.5. The level of fees or charges imposed by, or on behalf of, an agency or entity for the issuance of bonds pursuant to this article shall be disclosed in a report of final sale submitted to the California Debt and Investment Advisory Commission pursuant to Chapter 11.5 (commencing with Section 8855) of Division 1 of Title 2.

SEC. 5. Section 6592.1 is added to the Government Code, to read:

6592.1. A resolution authorizing bonds or any issuance of bonds or accepting the benefit of any bonds or the proceeds of bonds shall be adopted by an authority only during a regular meeting held pursuant to Section 54954.

SEC. 6. Section 53895.7 is added to the Government Code, to read:

53895.7. (a) For the purpose of this section, “agency” means any agency or entity formed pursuant to the Joint Exercise of Powers Act (Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1) that issues conduit revenue bonds.

(b) An officer of an agency who fails or refuses to make and file his or her report pursuant to this article within 20 days after receipt of a written notice of the failure from the Controller shall forfeit to the state:

(1) One thousand dollars (\$1,000) in the case of an agency with total revenue, in the prior year, of less than one hundred thousand dollars (\$100,000), as reported in the Controller’s annual financial reports.

(2) Two thousand five hundred dollars (\$2,500) in the case of an agency with total revenue, in the prior year, of at least one hundred thousand dollars (\$100,000), but less than two hundred fifty thousand dollars (\$250,000), as reported in the Controller’s annual financial reports.

(3) Five thousand dollars (\$5,000) in the case of an agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars (\$250,000), as reported in the Controller’s annual financial reports.

(c) An officer of an agency who fails or refuses to make and file his or her report within 20 days after receipt of a written notice of the failure from the Controller in the second or more consecutive year shall forfeit to the state:

(1) Two thousand dollars (\$2,000) in the case of an agency with total revenue, in the prior year, of less than one hundred thousand dollars (\$100,000), as reported in the Controller’s annual financial reports.

(2) Five thousand dollars (\$5,000) in the case of an agency with total revenue, in the prior year, of at least one hundred thousand dollars (\$100,000), but less than two hundred fifty thousand dollars (\$250,000), as reported in the Controller’s annual financial reports.

(3) Ten thousand dollars (\$10,000) in the case of an agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars (\$250,000), as reported in the Controller’s annual financial reports.

(d) In the case of an agency that fails or refuses to make and file its report within 20 days after receipt of a written notice of the failure from the Controller in the third or more consecutive year, the Controller shall conduct, or cause to be conducted, an independent financial audit report consistent with the requirements of Section 6505. The agency shall reimburse the Controller for the cost of complying with this subdivision.

(e) (1) Upon the request of the Controller, the Attorney General shall prosecute an action for the forfeiture in the name of the people of the State of California.

(2) Upon a satisfactory showing of good cause, the Controller may waive the penalties for late filing provided in this section.

(f) An agency that makes a forfeiture or payment pursuant to this section shall still file the report required pursuant to Section 53891.

SEC. 7. The Legislature finds and declares all of the following:

(a) Conduit financing providers annually provide billions of dollars of tax-exempt financing to the private sector, at a cost to the state caused by a lack of tax revenues on the interest earned on these investments, for projects that are intended to fulfill a public benefit purpose, including, but not limited to, educational facilities, pollution control facilities, health care facilities, industrial development, and affordable housing.

(b) Testimony and information provided to the Senate Committee on Local Government at its February 6, 2008, informational hearing on “Conduit Financing: Transparency and Accountability” demonstrated the need to provide for greater public awareness of, and participation in, the activities of conduit financing providers.

(c) Statutory ambiguities and discrepancies make it difficult to determine whether all conduit financing providers are complying with audit, annual financial reporting, and other public accountability requirements.

(d) It is the intent of the Legislature in enacting this act to ensure that all conduit financing providers make their activities sufficiently transparent and accountable to the public by extending sufficient opportunities for participation in public meetings and providing useful information about their financial activities.

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Office of the State Controller

DIVISION OF ACCOUNTING AND REPORTING
Minimum Audit Requirements and Reporting Guidelines
for
California Special Districts

§ 1131.1. Introduction.

(a) The following audit requirements are not intended to be a comprehensive audit program or check list of things to be completed during a special district audit. This is intended to include only the minimum requirements which the State Controller must prescribe pursuant to Section 26909 of the Government Code.

The county auditor or professional independent certified public accountant or public accountant undertaking an audit of a California Special District should:

1. Have sufficient knowledge and training to enable him to comply with generally accepted auditing standards.
2. Have a thorough knowledge of the fundamental principles of governmental accounting, including both fund accounting and enterprise accounting, and governmental auditing.
3. Note: Authority cited: Section 26909(b), Government Code. Reference: Sections 6505 and 26909(b), Government Code.

HISTORY

1. New Subchapter 5 (Sections 1131.1 through 1131.6) filed 9-16-70; effective thirtieth day thereafter (Register 70, No. 38).
2. Repealer of Subchapter 5 (Sections 1131.1-1131.6) and new Subchapter 5 (Sections 1131.1-1131.5) filed 1-15-80 as an emergency; effective upon filing (Register 80, No. 3). A Certificate of Compliance must be filed within 120 days or emergency language will be repealed on 5-15-80.
3. Certificate of Compliance filed 3-27-80 (Register 80, No. 13).

This database is current through 3/25/16 Register 2016, No. 13

2 CCR § 1131.1, 2 CA ADC § 1131.1

2 CCR § 1131.2

§ 1131.2. Minimum Audit Requirements.

(a) The audit shall be made in accordance with generally accepted auditing standards. Various auditing procedures are suggested and described on pages 41 through 69 of the American

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Institute of Certified Public Accountants publication Audits of State and Local Governmental Units. No hard and fast rules can be set down as to the specific procedures that should be taken. Professional judgment must be exercised. Following are general statements that the county auditor or independent accounting firm should consider in preparing an audit program in connection with the audit of a California special district.

1. A proper study and evaluation of the existing internal control and the financial organizational structure should be made. The extent to which an auditor should go in testing the evidential matter supporting his opinion on the financial statements depends on the effectiveness of the district's system of internal control.
2. Sufficient competent evidential matter is to be obtained through inspection, observation, inquiries, and confirmations to afford a reasonable basis for an opinion regarding the financial statements under examination.
3. If the internal control is so deficient that an auditor must disclaim his opinion in this regard, the reason for this disclaimer must be set forth in the audit report.
4. The auditor should review the laws applicable to the financial transactions of the district. For instance, all special districts are subject to a uniform accounting system prescribed by the State Controller. Should there be indications that the district may have failed to comply with legal requirements, the transactions may be referred to proper legal counsel for interpretation of the applicable law. Noncompliance should be commented upon in the report and, if necessary, the auditor's opinion should be qualified, disclaimed or adverse.
5. The district's report of financial transactions to the State Controller should be reviewed to see that it agrees with the official records of the district for the period. The State Controller should be informed of any material difference.
6. A review should be made of the previous audit report workpapers and program if available.
7. The auditor should ascertain what funds are maintained and by what authority or under what circumstances each fund maintained was created.
8. The auditor should ascertain the basis of accounting, that is, cash, accrual or modified accrual. Accrual is the basis for enterprise funds and modified accrual is the basis for non-enterprise funds. The cash basis is no longer approved for special districts.
9. The auditor should take a trial balance of the accounts of each fund and should list both opening and closing balances. The opening balances should be compared with the amounts shown in the audit report for the previous period, if any, and any difference should be investigated and reconciled.
10. A summary of the financial data included in the minutes or other official records of the proceedings of the legislative body should be prepared. Expenditure authorizations and the appropriations made to cover the authorizations should be confirmed.
11. The auditor should verify the balance of cash on hand.

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12. The auditor should reconcile bank accounts including cash on deposit with county treasurer as of the balance sheet date and such other times as is necessary. He should obtain confirmation from depositories for (1) all bank accounts, time certificates or savings and loan accounts, and (2) collateral securing such accounts, if applicable. Collateral should be examined or confirmed with the depository holding the collateral as trustee. The auditor should determine the adequacy and propriety of the collateral pledged.
13. The auditor should test the tax levy, tax collection and delinquencies whether processed by the district or the county.
14. The collection and recording of all ascertainable revenues should be tested during the period under audit. The test should be sufficient to determine that receipts have been recorded in the proper funds and period.
15. The auditor should determine:
 - a. That the expenditures were properly authorized and incurred and are proper charges to the fund and appropriation against which they have been charged.
 - b. That the expenditures are supported by the proper documents and that the documents are so marked as to prevent their reuse. In this connection, it should be ascertained whether noncash expenditures, that is, interdepartmental transactions are supported by adequate documentation and were properly recorded.
16. A review should be made of nonrevenue receipts and nonexpense disbursements to determine if they were legal and properly recorded.
17. All other assets such as investments, accounts receivable, inventories, paid expenses, fixed assets and similar items should be verified in accordance with generally accepted auditing standards.
18. All liabilities such as accounts payable, notes payable, contracts payable, judgments and similar items should be verified in accordance with generally accepted auditing standards. Proper authorities should be contacted to ascertain existence of any possible contingent liabilities.
19. The auditor should verify the fund balance and reserve accounts of all funds.
20. Note: Authority cited: Section 26909(b), Government Code. Reference: Sections 6505 and 26909(b), Government Code.

This database is current through 3/25/16 Register 2016, No. 13

2 CCR § 1131.2, 2 CA ADC § 1131.2

2 CCR § 1131.3

§ 1131.3. Audit Report Requirements.

1. The report shall state whether the financial statements are presented in accordance with generally accepted principles of accounting and the State Controller's Minimum Audit Requirements and Reporting Guidelines.

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2. The report shall state whether such generally accepted accounting principles have been observed in the current period in relation to the preceding period.
3. Informative disclosures in the financial statements are to be regarded as reasonably adequate unless otherwise stated in the report.
4. The audit report shall contain an opinion regarding the fairness of the financial statements as enumerated by the State Board of Accountancy Rules 58.1 and 58.2. The types of opinions that may be expressed are:
 - a. an unqualified opinion
 - b. a qualified opinion
 - c. an adverse opinion
 - d. a disclaimer of opinion
5. The report shall so state, if the audit is not completed within the statutory time limit.

Note: Authority cited: Section 26909(b), Government Code. Reference: Sections 6505 and 26909(b), Government Code.

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2 CCR § 1131.3, 2 CA ADC § 1131.3

2 CCR § 1131.4

§ 1131.4. Audit Report Format.

(a) It is suggested that the audit report be prepared in accordance with the following general format. Supplementary information such as schedules, comments, and statistical table are optional and often enhance the usefulness of a report.

1. Title page
2. Table of contents
3. Scope, opinion and other necessary paragraphs
4. Basic financial statements of each fund:
 - (1) Balance sheet
 - (2) Statement of revenues and expenditures
 - (3) Statement of changes in fund balance
 - (4) Statement of changes in financial position (enterprise activities only)
 - (5) Footnotes
5. Supplementary information
 - (1) Schedules

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- i. Fixed asset detail
 - ii. Bonded debt detail
 - iii. Investment detail
 - iv. Revenue detail
 - v. Expense or expenditure detail
- 6. Other schedules
- 7. (b) Comments (if too extensive to be covered in schedules or the
- 8. letter of transmittal)
 - (1) Organization and description of the district
 - (2) Accounts and records
 - (3) Insurance coverage
 - (4) Budgetary procedure
 - (5) General comments
- 9. (c) Statistical tables if applicable
 - (1) Legal debt margin
 - (2) Statement of tax levies, tax collections, and tax delinquencies
 - (3) Other tables

The AICPA Industry Audit Guide: Audits of State and Local Governmental Units contains additional guidance on audit reports.

Note: Authority cited: Section 26909(b), Government Code. Reference: Sections 6505 and 26909(b), Government Code.

This database is current through 3/25/16 Register 2016, No. 13

2 CCR § 1131.4, 2 CA ADC § 1131.4

2 CCR § 1131.5

§ 1131.5. A Management Letter Is Required.

It is understood that management has the responsibility for establishing internal controls and checks. The auditor, however, shall prepare and forward to management, the governing body, and all required recipients of the audit report, a separate letter containing suggestions and recommendations relating to opportunities for improvement in the district's accounting and financial controls. Further, this management letter shall be used to comment on the action or lack of action taken regarding suggestions made in a prior year letter.

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It is not intended that this management letter communicate only negative comments. The auditor shall state when proper internal controls are established and in operation. Further remarks concerning proper accounting and reporting practices may be included.

Note: Authority cited: Section 26909(b), Government Code. Reference: Sections 6505 and 26909(b), Government Code.

This database is current through 3/25/16 Register 2016, No. 13

2 CCR § 1131.5, 2 CA ADC § 1131.5

26909. (a) (1) The county auditor shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every special district within the county for which an audit by a certified public accountant or public accountant is not otherwise provided. In each case, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards.

(2) Where an audit of a special district's accounts and records is made by a certified public accountant or public accountant, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards, and a report thereof shall be filed with the Controller and with the county auditor of the county in which the special district is located. The report shall be filed within 12 months of the end of the fiscal year or years under examination.

(3) Any costs incurred by the county auditor, including contracts with, or employment of, certified public accountants or public accountants, in making an audit of every special district pursuant to this section shall be borne by the special district and shall be a charge against any unencumbered funds of the district available for

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the purpose.

(4) For a special district that is located in two or more counties, the provisions of this subdivision shall apply to the auditor of the county in which the treasury is located.

(5) The county controller, or ex officio county controller, shall effect this section in those counties having a county controller, or ex officio county controller.

(b) A special district may, by unanimous request of the governing board of the special district, with unanimous approval of the board of supervisors, replace the annual audit required by this section with one of the following, performed in accordance with professional standards, as determined by the county auditor:

(1) A biennial audit covering a two-year period.

(2) An audit covering a five-year period, if the special district's annual revenues do not exceed an amount specified by the board of supervisors.

(3) An audit conducted at specific intervals, as recommended by the county auditor, that shall be completed at least once every five years.

(c) (1) A special district may, by unanimous request of the governing board of the special district, with unanimous approval of the board of supervisors, replace the annual audit required by this section with a financial review, in accordance with the appropriate professional standards, as determined by the county auditor, if the following conditions are met:

(A) All of the special district's revenues and expenditures are transacted through the county's financial system.

(B) The special district's annual revenues do not exceed one hundred fifty thousand dollars (\$150,000).

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(2) If the board of supervisors is the governing board of the special district, it may, upon unanimous approval, replace the annual audit of the special district required by this section with a financial review in accordance with the appropriate professional standards, as determined by the county auditor, if the special district satisfies the requirements of subparagraphs (A) and (B) of paragraph (1).

(d) Notwithstanding the provisions of this section, a special district shall be exempt from the requirement of an annual audit if the financial statements are audited by the Controller to satisfy federal audit requirements.

6505.

(a) The agreement shall provide for strict accountability of all funds and report of all receipts and disbursements.

(b) In addition, and provided a separate agency or entity is created, the public officer performing the functions of auditor or controller as determined pursuant to Section 6505.5, shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every agency or entity, except that the officer need not make or contract for the audit in any case where an annual audit of the accounts and records of the agency or entity by a certified public accountant or public accountant is otherwise made by any agency of the state or the United States only as to those accounts and records which are directly subject to such a federal or state audit. In each case the minimum requirements of the audit shall be those prescribed by the Controller for special districts under Section 26909 and shall conform to generally accepted auditing standards.

(c) When an audit of an account and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with each of the contracting parties to the agreement and also with the county auditor of the county where the home office of the joint powers authority is located and shall be sent to any public agency or person in California that submits a written request to the joint powers authority. The report shall be filed within 12 months of the end of the fiscal year or years under examination.

(d) When a nonprofit corporation is designated by the agreement to administer or execute the agreement and no public officer is required to perform the functions of auditor or controller as determined pursuant to Section 6505.5, an audit of the accounts and records of the agreement shall be made at least once each year by a certified public accountant or public accountant, and a report thereof shall be filed as a public record with each of the contracting parties to the agreement and with the county auditor of the county where the home office of the joint powers authority is located, and shall be sent to any public agency or person in California that submits a

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written request to the joint powers authority. These reports shall be filed within 12 months after the end of the fiscal year or years under examination.

(e) Any costs of the audit, including contracts with, or employment of certified public accountants or public accountants, in making an audit pursuant to this section shall be borne by the agency or entity and shall be a charge against any unencumbered funds of the agency or entity available for the purpose.

(f) All agencies or entities may, by unanimous request of the governing body thereof, replace the annual special audit with an audit covering a two-year period.

(g) Notwithstanding the foregoing provisions of this section to the contrary, agencies or entities shall be exempt from the requirement of an annual audit if the financial statements are audited by the Controller to satisfy federal audit requirements.

(Amended by Stats. 1998, Ch. 876, Sec. 4. Effective January 1, 1999.)

6505.1.

The contracting parties to an agreement made pursuant to this chapter shall designate the public office or officers or person or persons who have charge of, handle, or have access to any property of the agency or entity and shall require such public officer or officers or person or persons to file an official bond in an amount to be fixed by the contracting parties.

(Added by Stats. 1968, Ch. 972.)

6505.5.

If a separate agency or entity is created by the agreement, the agreement shall designate the treasurer of one of the contracting parties, or in lieu thereof, the county treasurer of a county in which one of the contracting parties is situated, or a certified public accountant to be the depository and have custody of all the money of the agency or entity, from whatever source.

The treasurer or certified public accountant so designated shall do all of the following:

(a) Receive and receipt for all money of the agency or entity and place it in the treasury of the treasurer so designated to the credit of the agency or entity.

(b) Be responsible, upon his or her official bond, for the safekeeping and disbursement of all agency or entity money so held by him or her.

(c) Pay, when due, out of money of the agency or entity held by him or her, all sums payable on outstanding bonds and coupons of the agency or entity.

(d) Pay any other sums due from the agency or entity from agency or entity money, or any portion thereof, only upon warrants of the public officer performing the functions of auditor or controller who has been designated by the agreement.

(e) Verify and report in writing on the first day of July, October, January, and April of each year to the agency or entity and to the contracting parties to the agreement the amount of money he or she holds for the agency or entity, the amount of receipts since his or her last report, and the amount paid out since his or her last report.

The officer performing the functions of auditor or controller shall be of the same public agency as the treasurer designated as depository pursuant to this section. However, where a certified public accountant has been designated as treasurer of the entity, the auditor of one of the contracting parties or of a county in which one of the contracting parties is located shall be designated as auditor of the entity. The auditor shall draw warrants to pay demands against the agency or entity

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when the demands have been approved by any person authorized to so approve in the agreement creating the agency or entity.

The governing body of the same public entity as the treasurer and auditor specified pursuant to this section shall determine charges to be made against the agency or entity for the services of the treasurer and auditor. However, where a certified public accountant has been designated as treasurer, the governing body of the same public entity as the auditor specified pursuant to this section shall determine charges to be made against the agency or entity for the services of the auditor.

(Amended by Stats. 1999, Ch. 83, Sec. 65. Effective January 1, 2000.)

6505.6.

In lieu of the designation of a treasurer and auditor as set forth in Section 6505.5, the agency or entity may appoint one of its officers or employees to either or both of such positions. Such offices may be held by separate officers or employees or combined and held by one officer or employee. Such person or persons shall comply with the duties and responsibilities of the office or offices as set forth in subdivisions (a) to (d), inclusive, of Section 6505.5.

In the event the agency or entity designates its officers or employees to fill the functions of treasurer or auditor, or both, pursuant to this section, such officers or employees shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505.

Special Districts Financial Transactions Report

Conduit Financing Provider

The following financial statements and schedules must be completed by all special districts that act as conduit financing providers. All districts must complete Pages 2, 3, 8 and 9. Each agency must report their revenues and expenses (additions and deductions) on Pages 4 through 7 as applicable.

Page

1 Cover Page

Please enter the agency name, ID number and fiscal year. The report must be signed by by an official of the agency only.

2 General Information Page

Please complete the information regarding your mailing address, members of the governing body and other data as appropriate.

3 Statement of Net Assets

The Statement of Net Assets and Statement of Revenues, Expenditures and Changes in Net Assets are required of all local agencies unless they file a Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets. These statements have been modified to reflect the activities of conduit financing authorities.

4 Statement of Revenues, Expenditures and Changes in Net Assets

The Statement of Net Assets and the Statement of Revenues, Expenditures and Changes in Net Assets are required of all local agencies. These statements have been modified to reflect the activities of conduit financing authorities.

5 Statement of Fiduciary Net Assets

The Statement of Fiduciary Net Assets must be completed by those agencies which issue conduit debt, but which do not file a Statement of Net Assets.

6 Statement of Changes in Fiduciary Net Assets

The Statement of Changes in Fiduciary Net Assets must be completed by those agencies which issue conduit debt, but which do not file a Statement of Revenues, Expenditures and Changes in Net Assets.

7 Summary of Conduit and Public Agency Debt Issued and Outstanding

The Summary of Conduit Debt Issued and Outstanding provides information on conduit debt issued during the fiscal year and the total debt outstanding at the end of the fiscal year. The summary provides information on the type of debt, either Qualified Private Activity or Public Agency debt, issued and outstanding.

8 Conduit Debt Fee Schedule

The authorities charge a number of fees for their services including issuance fees, closing, administrative and other fees. A fee schedule from each agency will provide a basis for comparison amongst similar districts.

Special Districts Financial Transactions Report**Conduit Financing Provider****Cover Page****Agency Name** _____**Submitted by the Reporting Entity**

SCO Reporting Year 2015

ID Number _____

Fiscal Year Ended _____

(MM/DD/YY)

Signature_____
Title_____
Name (Please Print)_____
Date

The Statement of Net Assets and the Statement of Revenues, Expenditures and Changes

To File Your Report

1. Complete all forms as necessary
2. A responsible member of the agency must sign this cover and mail it to either address below.

Mailing Address:

State Controller's Office Changes in Net Assets.
Division of Accounting and Reporting
P.O. Box 942850
Sacramento, CA 94250

Express Mailing Address:

State Controller's Office
Division of Accounting and Reporting
3301 C Streets, Suite 700
Sacramento, CA 95816

Special Districts Financial Transactions Report

Conduit Financing Provider

Fiscal Year 2015

General Information

Agency Name _____

Mailing Address

Address Change? YES NO

Street 1	Street 2	City
State	Zip	

Members of Governing Body

	First Name	Middle Initial	Last Name	Title
Member				
Member				
Member				
Member				
Member				
Member				

Fiscal Year of most recent audit available

Estimated Date for completion of FY 2014 Audit

Agency Officials

				Phone	email
Executive Director			Webster-Hawkins	Executive Director	
Fiscal Officer					

Report Prepared By

First Name	Middle Initial	Last Name	Title	Phone	email

Street 1	Street 2	City
	Zip	

Independent Auditor

First Name	Middle Initial	Last Name	Title	Phone	email

Special Districts Financial Transactions Report

ATTACHMENT C Conduit Financing Provider

Request for Proposal

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Agency Name

Statement of Net Assets

Fiscal Year 2015

Assets

Current assets

Cash	\$	
Investments		
Lease Payments Receivable Net		
Mortgages Receivable		
Other Loans Receivable		
Interest Receivable		
Other Receivables		
Due From Other funds		
Due From Other Agencies		
Deferred Charges		
Other Assets		
Total Current Assets	\$	

Noncurrent Assets

Restricted Cash		
Other Noncurrent Assets		
Total Noncurrent Assets		
Total Assets	\$	

Liabilities

Current Liabilities

Accounts Payable	\$	
Interest Payable		
Due to Other Funds		
Due to Other Agencies		
Refundable Deposits		
Current Portion of Long-Term Debt		
Other Liabilities		
Total Current Liabilities		

Noncurrent Liabilities

Deferred Revenues		
Long-Term Debt		
All Other Non-Current Liabilities		
Total Noncurrent Liabilities		
Total Liabilities	\$	

Net Assets

Restricted		
Unrestricted		
Total Net Assets	\$	
Total Liabilities and Net Assets	\$	

Special Districts Financial Transactions Report

Conduit Financing Provider

Agency Name California Pollution Control Financing Authority - Bond Program

Statement of Revenues, Expenditures and Changes in Net Assets

Fiscal Year 2015

Operating revenues

Financial Service Fees	\$	
Application Fees		
Issuance Fees		
Closing Fees		
Monitoring Fees		
Annual Administration Fees		
Lease Program Fees		
Other Fees and Charges		
Lease Rental Payments		
State Grants		
Federal Grants		
Other Governmental Agencies		
Other Revenues		
Total operating revenues	\$	

Operating expenses

Salaries, Wages and Benefits	\$	
Services and Supplies		
Consultant Services		
Legal Fees		
Trustee Fees		
Underwriter's Fees		
Other Agent Fees		
Insurance		
Project Costs		
Debt Issuance Costs		
Distributions to Outside Agencies		
Other Expenses		
Total expenses	\$	
Operating income (loss)	\$	

Nonoperating Revenues (Expenses)

Interest and Investment Income	\$	
Miscellaneous revenues		
Interest expense		
Miscellaneous expenses		
Total Nonoperating revenues (expenses)	\$	
Income (loss) before contributions and transfers	\$	
Capital Contributions		
Transfers in		
Transfers out		
Changes in net assets	\$	
Total Net Assets, Beginning of Year		
Total Net Assets, End of Year	\$	

Special Districts Financial Transactions Report

Conduit Financing Provider

Agency Name California Pollution Control Financing Authority - Bond Program

Statement of Fiduciary Net Assets

Fiscal Year 2015

Assets

Cash	\$	
Investments		
Interest Receivable		
Other Receivables		
Due From Other Funds		
Due From Other Agencies		
Other Assets		
Total Assets	\$	

Liabilities

Accounts Payable	\$	
Agency Obligations		
Other Liabilities		
Total Liabilities	\$	

Net Assets

Held in Trust	\$	
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Special Districts Financial Transactions Report

Conduit Financing Provider

Agency Name California Pollution Control Financing Authority - Bond Program

Statement of Changes in Fiduciary Net Assets Fiduciary Funds

Fiscal Year 2015

Additions

Financial Service Fees	\$	
Application Fees		
Issuance Fees		
Closing Fees		
Monitoring Fees		
Annual Administration Fees		
Other Fees and Charges		
Other Revenues		
Interest and Investment Income		
Total Additions	\$	

Deductions

Administration Expense	\$	
Salaries, Wages and Benefits		
Services and Supplies		
Consultant Fees		
Legal Fees		
Trustee Fees		
Underwriter's Fees		
Other Agent's Fees		
Debt Issuance Costs		
Distributions to Outside Agencies		
Deposits Returned		
Other Deductions		
Total Deductions	\$	

Net Increase (Decrease) \$

Net Assets, Beginning of the Year \$

Net Assets, End of the Year \$

Special Districts Financial Transactions Report**Conduit Financing Provider****Agency Name:** California Pollution Control Financing Authority - **Bond Program****Summary of Conduit and Public Agency Debt Issued and Outstanding**Fiscal Year **2015**

Types of Conduit Financing Debt and Public Agency Debt Issues	Debt Issued During Fiscal Year 2015	Total Debt Outstanding as of Fiscal Year 2015
Qualified Private Activity Debt		
Industrial Development Bonds	\$	\$
Enterprise Zone Bonds		
Empowerment Zone Bonds		
Qualified 501(c)(3) Nonprofit - Educational Facility Bonds		
Qualified Public Educational Facilities Bonds		
Qualified Student Loan Bonds		
Qualified 501(c)(3) Nonprofit - Hospital and Health Care Bonds		
Qualified 501(c)(3) - Other Bonds		
Qualified Residential Rental Projects Bonds		
Qualified Single Family Mortgage Revenue Bonds		
Solid Waste Disposal Facilities Bonds		
Other Exempt Facilities Bonds (attach explanation)		
Other Qualified Private Activity Debt (attach explanation)		
Total Conduit Debt Issued and Outstanding	\$	\$
Public Agency Debt Issues		
Revenue Bonds	\$	\$
Tax Allocation Redevelopment Bonds		
Certificates of Participation		
Assessment Bonds 1911 Act		
Assessment Bonds 1915 Act		
Marks-Roos Bonds		
Mello-Roos Bonds		
Sales Tax Bonds		
Financial Leases		
Pension Obligation Bonds		
Tax and Revenue Anticipation Notes		
Commercial Paper		
Other (attach explanation)		
Total Public Agency Debt Issued and Outstanding	\$	\$
Total Debt Issued and Outstanding	\$	\$

Special Districts Financial Transactions Report

ATTACHMENT C Conduit Financing Provider

Request for Proposal
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Agency Name California Pollution Control Financing Authority - Bond Program

Conduit Debt Fee Schedule

You may provide the State Controller's Office a copy of your current Fee Schedule rather than completing this form.

Qualified Private Activity Debt

Fiscal Year 2015

Bond programs

Type of Fees

Types of Debt

Application fees

Issuance fees

Closing Fees

Annual administration fees

Project monitoring fees

Industrial Development Bonds

Enterprise Zone Bonds

Empowerment Zone Bonds

Qualified 501(c)(3) Nonprofit - Educational Facility Bonds

Qualified Public Educational Facilities Bonds

Qualified Student Loan Bonds

Qualified 501(c)(3) Nonprofit - Hospital and Health Care Bonds

Qualified 501(c)(3) - Other Bonds

Qualified Residential Rental Projects Bonds

Qualified Single Family Mortgage Revenue Bonds

Solid Waste Disposal Facilities Bonds

Other Exempt Facilities Bonds (attach explanation)

Other Qualified Private Activity Debt (attach explanation)

Conduit Debt Fee Schedule (continued)**Public Agency Issues**Fiscal Year 2015

Bond programs

Types of Debt	Application fees	Issuance fees	Closing Fees	Annual administration fees	Project monitoring fees
Revenue Bonds					
Tax Allocation Redevelopment Bonds					
Certificates of Participation					
Assessment Bonds 1911 Act					
Assessment Bonds 1915 Act					
Marks-Roos Bonds					
Mello-Roos Bonds					
Sales Tax Bonds					
Financial Leases					
Pension Obligation Bonds					
Tax and Revenue Anticipation Notes					
Commercial Paper					
Other (attach explanation)					

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**California Pollution Control Financing Authority
Bonds Sold in FY 2014/2015**

Closing Date	Bond Short Name	Project Type	Amount of Issue	Beg Int Rate	Type
09/25/2014	SIERRA PACIFIC INDUSTRIES SERIES 2014	1SWD	\$30,000,000	0.08	1WKLY
09/24/2014	GARDEN CITY SANITATION, INC. 2014	1SWD	\$8,905,000	0.08	1WKLY
10/15/2014	BAY COUNTIES SMART PROJECT SERIES 2014	1SWD	\$8,820,000	0.08	1WKLY
11/25/2014	SACRAMENTO BIOSOLIDS SERIES 2014A(R)(N)	1SEW	\$13,730,000	3.27	1FX
11/25/2014	SACRAMENTO BIOSOLIDS SERIES 2014B(R)(N)(TX)	1SEW	\$65,000	4.04	1FX
12/04/2014	GREENWASTE RECOVERY, INC. 2014	1SWD	\$28,300,000	0.98	1MNLY
02/04/2015	BLUE LINE TRANSFER, INC. SERIES 2015(R)(N)	1SWD	\$22,720,000	1.17	1WKLY
		TOTAL:	\$112,540,000		

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Bonds Sold in FY 2015/2016

Closing Date	Bond Short Name	Project Type	Amount of Issue	Beg Int Rate	Type
07/01/2015	CALIFORNIA WASTE SOLUTIONS, INC SERIES 2015B(R)(N)		\$17,777,778	2.06	1MNLY
07/01/2015	CALIFORNIA WASTE SOLUTIONS, INC SERIES 2015A(R)(N)	1SWD	\$22,222,222	2.06	1MNLY
07/01/2015	WASTE MANAGEMENT, INC SERIES 2015A-1(R)(N)		\$84,430,000	3.38	1FX
07/01/2015	WASTE MANAGEMENT, INC SERIES 2015A-2(R)(N)		\$28,000,000	3.63	1FX
07/01/2015	WASTE MANAGEMENT, INC SERIES 2015A-3(R)(N)		\$28,000,000	4.30	1FX
11/10/2015	WASTE MANAGEMENT, INC SERIES 2015B-1(R)(N)		\$76,225,000	3.00	1FX
11/10/2015	WASTE MANAGEMENT, INC. SERIES 2015B-2(R)(N)		\$49,775,000	3.12	1FX
01/27/2016	AEMERGE REDPAK SERVICES SOUTHERN CALIFORNIA LLC PROJECT	1SWD	\$28,250,000	7.00	1FX
04/06/2016	ALAMEDA COUNTY INDUSTRIES, INC. SERIES 2016 (R)(N)	1SWD	\$16,580,000	3.35	
04/29/2016	TRI-CITY ECONOMIC DEVELOPMENT CORP SERIES 2016 (R)(N)		\$5,250,000	2.75	1FX
05/04/2016	MOTTRA CORP SERIES 2016	1SWD	\$8,250,000	1.36	1WKLY
06/01/2016	CR&R INC. SERIES 2016 (R)(N)	1SWD	\$61,360,000	1.60	1WKLY
		TOTAL:	\$426,120,000		