

NOTIFICATION REGARDING SUBMISSION PROCESS AND REGISTRATION INSTRUCTIONS

The Incorporated County of Los Alamos ("County") has recently implemented a new on-line eProcurement portal. This new platform, Euna Procurement powered by Bonfire, provides the County's electronic Bid and Proposal process ("County's Procurement Portal"). It is where the County will post solicitation opportunities, including Invitation for Bids (IFB), Request for Proposals (RFP), Request for Qualifications (RFQ) and Request for Information/Interest (RFI). The County's Procurement Portal will streamline the County's Bid process for Bid or Proposal submission, acceptance, evaluation, and award. For vendors, the County's Procurement Portal will enhance communication, allow for fast and accurate Bids and Proposals, and provide automatic notification about projects.

Registered vendors will view and submit Bids and Proposals electronically. The past practice of submitting electronic Bids and Proposals by email or submitting paper Bids and Proposals is being phased out. If you are seeing this notification in a solicitation document, **submissions will be accepted ONLY electronically through the County's Procurement Portal for this solicitation.** It is every Offeror's responsibility to read, understand, and submit Bids and Proposals in accordance with the instructions provided in and specific to each solicitation document.

Requested Action: Please register as a vendor on the County's Procurement Portal by visiting <https://losalamosnm.bonfirehub.com> and click on "Register". Registration is free and only takes a few minutes. Please be sure to select the applicable NIGP: The Institute for Public Procurement ("NIGP") Commodity Codes for your business when you are prompted so that you can receive notification of recommended opportunities when they are sent out by the County to the NIGP Commodity Codes you have selected.

Already Have a Bonfire Vendor Account? If you already have a Bonfire vendor account and are already registered for another agency's portal, you will still need to visit the County's Procurement Portal at <https://losalamosnm.bonfirehub.com> and click on "Log In" to provide County-requested information, view open opportunities, receive opportunity notifications, and submit Bids and Proposals through the County's Procurement Portal. You will be able to manage the multiple agencies with whom you do business through the button labelled "My Supplier Hub" in your Bonfire account.

For Bonfire Support, visit the Vendor Help Center at <https://vendorsupport.gobonfire.com> where you can view support articles and videos and search FAQ's on all aspects of Bonfire. For personal assistance, you can email Support.Bonfire@eunasolutions.com. Support is available Monday to Friday from 6:00 a.m. to 6:00 p.m. Mountain Time.

NEEDS STATEMENT

The Incorporated County of Los Alamos, New Mexico ("County") is soliciting proposals to procure Financial and Compliance Audit Services under the State of New Mexico Audit Act §§ 12-6-1 to 12-6-14, NMSA 1978. The County is also seeking agreed upon procedures for a Resource Pool Audit, Cost Allocation Plan Review, Lodger's Tax Audit, and Financial Assurances.

SOLICITATION INFORMATION	
Solicitation No.	RFP26-53
Solicitation Title	Financial and Compliance Audit Services
Single-step or Multi-step	Single-step
Requesting Dept.	Administrative Services Department - Finance
SOLICITATION SCHEDULE	
Advertised	March 26, 2026
Pre-Proposal Conference	Non-Mandatory April 6, 2026, 10:00 a.m. Mountain Time Virtual Via MS Teams – Use the link below to log in https://teams.microsoft.com/meet/24021623414600?p=aCF7IzIScgwdwNh95L
Question Submission Deadline	April 7, 2026, 2:00 p.m. Mountain Time
Responses to Questions Issued by County	April 9, 2026, 5:00 p.m. Mountain Time County reserves the right to issue responses at any time prior to this date.
Proposal Due Date and Closing	April 13, 2026, 2:00 p.m. Mountain Time Late responses will not be considered
CONTACT INFORMATION	
Procurement Contact Name	Jaime Kephart
Title	Procurement Contract Manager
E-Mail	Jaime.kephart@losalamosnm.gov
Phone No.	505.662.8191
ESTIMATED PROCESS SCHEDULE AFTER CLOSING	
The estimated dates of the solicitation process after closing are tentatively planned as follows, are provided here for informational purposes only, and at County's discretion, may be subject to change without prior notification. Discussions may be conducted with responsible offerors who submit Proposals determined to be reasonably likely to be selected for award for the purpose of clarification to ensure full understanding and conformation with the solicitation requirements for the purpose of obtaining best and final offers.	
Proposal Evaluation	April 13, 2026 – April 20, 2026
Contract Drafting, Legal Review, and Negotiations	April 20, 2026 – May 14, 2026
Estimated Contract Award	May 15, 2026

1. ELECTRONIC SUBMISSIONS

A full copy of the solicitation and all associated documents can be found on the County's Procurement Portal at <https://losalamosnm.bonfirehub.com/>. **Only Proposals submitted through the County's Procurement Portal by the Proposal Due Date stated herein, or as may be modified by addendum, will be considered.** Late responses will not be considered. To register to view and download solicitation documents and submit a Proposal through the County's Procurement Portal, follow the instructions on page 1 of this solicitation.

2. ADDITIONAL DOCUMENTS AND INFORMATION INCLUDED AS A PART OF THIS RFP

Additional documents are referenced in this RFP, which may include, but are not limited to, exhibits, attachments, links to documents online, and documents that are provided through the County's Procurement Portal. Any such documents are considered to be a part hereof and constitute, along with this solicitation document and any addenda, the complete solicitation package. Documents required to be submitted as a component of Offeror's Proposal will be noted as such in each individual solicitation posted on the County's Procurement Portal, and Offerors will be unable to submit their Proposals through the County's Procurement Portal until all required documents and information have been uploaded or provided by Offerors.

Please also reference "Proposal Format and Response Components" below.

3. GRANT RELATED INFORMATION

It is not anticipated that this project will be funded by a grant; no additional grant-related information provided.

4. QUESTIONS

Any questions must be received in writing at least four (4) business days prior to the submission due date, unless otherwise stated herein or in an addendum. **Questions must be submitted through the County's Procurement Portal.** Please follow the instructions on page one (1) of this document to register for the County's Procurement Portal to submit written questions. Offerors who submit questions via e-mail or by phone shall be redirected to submit written questions through the County's Procurement Portal.

Offerors must submit in writing through the County's Procurement Portal, as stated herein, any questions or requested clarification necessary for Offeror to provide a complete response with all Proposal response components and pricing included. Offerors are asked to refrain from including in Proposals statements such as "more information available upon request," "pricing to be determined," or other similar statements. Such statements and failure of Offeror to seek clarification needed for Offeror to provide the requested information may result in an Offeror being found non-responsive or non-responsible. This in no way may be construed to conflict with County's right to hold interviews and discussions for clarification with Offerors, as further described herein.

5. PRE-PROPOSAL CONFERENCE

The County will hold an optional, non-mandatory pre-Proposal conference via a virtual format on the date and time noted in the Solicitation Schedule for this RFP and on the County's Procurement Portal. The purpose of this conference is to allow potential Offerors to ask questions regarding this RFP and the County's RFP process. Information about the virtual meeting will be sent to all entities that have registered for this solicitation opportunity through their County Procurement Portal Vendor Account. County reserves the right to send pre-Proposal conference information to any vendors or requesting individuals.

6. MULTI-STEP PROCESS

This is a single-step RFP; multi-step process information does not apply.

7. VIRTUAL INTERVIEWS

County may, at County's sole option, request virtual interviews from some or all Offerors to demonstrate products or services for the purpose of clarification to ensure full understanding and conformation with solicitation requirements.

8. GENERAL INFORMATION

8.1. About Los Alamos County. The Incorporated County of Los Alamos is situated at the foot of the Jemez Mountains on the Pajarito Plateau with an elevation ranging from 6,200 feet to 9,200 feet. Los Alamos is an incorporated county, established under a special provision of the State constitution, giving it both county and municipal authority and powers. Two distinct communities, Los Alamos Town site and White Rock, each with its own visitor center, are home to ~19,500 people. Los Alamos is mostly known for the historic accomplishments of its largest employer, Los Alamos National Laboratory, and continues to gain notice for its vast scenic assets and recreational opportunities. Visit the Los Alamos County website (www.losalamosnm.us) and the tourism website (www.visitlosalamos.org) for more information.

8.2. Unless otherwise defined, the following terms may be used interchangeably throughout this RFP:

"Offeror," "Contractor," and "Vendor"
"Proposal," "Response," and "Submittal"
"Software," "Solution," and "System"
"Project" and "Services"
"RFP" and "Solicitation"

8.3. The County invites Proposals from all qualified respondents. No Proposal may be withdrawn after the scheduled closing time. Proposals will not be accepted after the scheduled closing time. Please make note of the submittal requirements outlined in this solicitation. Read and follow the instructions carefully. Include the required documents stated in this RFP as part of your submittal packet. Any misinterpretation or failure to comply with the submittal requirements could result in rejection of the Proposal. Proposal preparation is at the Offeror's expense.

8.4. Any change(s) to the solicitation will be conveyed through the written addenda process. Read carefully and follow all instructions provided on any addendum, as well as the instructions provided in the original solicitation. Offerors are expected to acknowledge receipt of addenda by submitting signed copies of addenda with the submitted Proposal.

8.5. County reserves the right, at its sole discretion, to accept or reject any Proposals; to waive any and all irregularities in any or all statements or Proposals; to request additional information from any or all respondents; and to award a contract to the responsible Offeror whose Proposal is most beneficial to County. While County intends to execute a contract for the services listed herein, nothing in this document shall be interpreted as binding County to enter into a contract with any Offeror.

8.6. Proposals are Public Records. Pursuant to the New Mexico Inspection of Public Records Act, NMSA 1978, Chapter 14, Article 2, all materials submitted under this RFP shall be presumed and considered public records. Except to the extent any information may be protected by state or federal law, Proposals shall be considered public documents and available for review and copying by the public. County declines to sign any non-disclosure agreements or confidentiality agreements submitted by potential Offerors. If an Offeror fails to submit information requested in the RFP that Offeror considers to be confidential, the County reserves the right to find any Offeror's Proposal non-responsive or non-

responsible based on the information provided in or excluded from Offeror's response.

- 8.7.** The County contemplates up to six (6) one-year contract(s) as a result of this RFP. The total terms of the contract(s) combined may be for a total period of up to six (6) years, unless otherwise allowed by County Ordinance, which may be amended at County's sole option throughout the term of an agreement with the selected Offeror. Should such an amendment to County's Ordinance occur, County may, at County's sole option, extend the total term in accordance with County Ordinance and any applicable State laws, rules, or regulations, including, but not limited to those stated in NMAC 2.2.2 Requirements for Contracting and Conducting Audits of Agencies ("NMAC 2.2.2"). County may, at County's sole option, elect not to contract for all of the years contemplated by a multiple-year Proposal. The Chief Purchasing Officer has determined that a multi-term contract will serve the best interests of the County by promoting economies in County procurement in accordance with Section 31-111 of the County Code.
- 8.8.** Offerors are notified that they must propose pricing for each potential year of the contract. County may consider, but is under no obligation to accept proposed cost escalators (e.g., a proposed specific dollar amount) or a cost escalator mechanism (e.g., an annual percentage escalator or use of a Consumer Price Index or Producer Price Index) for future years of an agreement. Pursuant to County Ordinance, **the use of a cost-plus-a-percentage-of-cost contract is prohibited.**
- 8.9.** Offerors are informed that State law requires that all foreign corporations (NMSA 1978 §53-17-5) and limited liability corporations (NMSA 1978 §53-19-48) procure a certificate of authority to transact business in the state prior to transacting business in the State of New Mexico.
- 8.10.** The Chief Purchasing Officer has determined a preference is applicable to this solicitation. Offerors must submit a written request for preference, using the Request for Preference form provided through the County's Procurement Portal, with a copy of the applicable state-issued preference certificate, with its Proposal to qualify for preference. Ref. County Code Section. 31-261(b) and Section 13-1-21 NMSA 1978 et al.

9. PROPOSAL REVIEW AND EVALUATION

Proposals shall be handled so as to prevent disclosure of the identity of any Offeror or the contents of any Proposal to competing Offerors during the process of negotiation.

After the RFP has closed, Procurement Division staff prepares a register of Proposals containing the name of each Offeror, the number of modifications received, if any, and a description sufficient to identify the item offered. The register of Proposals is open to public inspection only after contract award. Procurement Division staff releases Proposals to the Evaluation Committee. The Evaluation Committee reviews and evaluates the submittals. If interviews are conducted, they may only be for the purpose of clarification and may be used for adjusting the final score. Discussions may be conducted with responsible offerors who submit Proposals determined to be reasonably likely to be selected for award for the purpose of clarification to ensure full understanding and conformation with solicitation requirements for the purpose of obtaining best and final offers. For proposals that qualify for Preference, as described in the Request for Preference form provided through the County's Procurement Portal, preference factors will be applied as applicable in accordance with the most current County Code Section 31-261(b) and NMSA 1978 Section 13-1-21 et al., as may be modified from time to time.

The Evaluation Committee Chairperson provides final evaluation results to the Procurement Division. Award shall be made to the responsible Offeror whose Proposal is determined in writing by the Evaluation Committee to be the most advantageous to the County, taking into consideration the evaluation criteria set forth in the solicitation.

10. AWARD OF SOLICITATION

Following award of the solicitation, the successful Offeror will be required to execute a contract with County in accordance with the terms and conditions set forth in the Sample Agreement, which is provided through the County's Procurement Portal. Offerors must identify any exception or other requirements, if any, to the terms and provisions in the Services Agreement, along with proposed alternative language addressing the exception. County, as a governmental entity, is subject to certain laws and prohibitions and may, but is not required to, negotiate changes in contract terms and provisions, but will not agree to language that is in violation of the law. The Agreement as finally agreed upon must be in form and content acceptable to County. Additionally, pursuant to NMAC 2.2.2 the successful Offeror will be required to execute a contract with County in a form provided by and acceptable to the Office of the State Auditor, a sample of which is provided on the County's Procurement Portal.

11. OBLIGATIONS OF FEDERAL CONTRACTORS AND SUBCONTRACTORS; CONTRACT CLAUSES

Federal Contractors and Subcontractors shall abide by applicable state and federal requirements, which may include but are not limited to all the provisions set forth in 29 CFR Part 471, Appendix A to Subpart A, and may be required to be included or incorporated by reference into the Agreement.

12. ILLEGAL ACTS

The County Procurement Code, Article 9, imposes remedies and penalties for violation of the County Code. In addition, New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities, and kickbacks.

13. CERTIFICATION FORM REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

Offerors are requested to complete the Certification Regarding Debarment, Suspension, and Other Responsibility Matters Form, provided through the County's Procurement Portal, and submit with the Proposal. If this completed document is not included with the Proposal, it must be provided prior to the evaluations of the received Proposals, otherwise the Offeror's Proposal will not be considered. This Form serves as a warrant of the Offeror's responsibility and may not necessarily preclude the Offeror from consideration for award.

14. CAMPAIGN CONTRIBUTION DISCLOSURE FORM

A Campaign Contribution Disclosure Form is provided through the County's Procurement Portal. Offerors are requested to complete and submit with the Proposal. If the Form is not submitted with the Proposal, upon award, Contractor must submit this form prior to County's obligation to pay for the services.

15. VERIFICATION OF AUTHORIZED OFFEROR

A Verification of Authorized Offeror Form is provided through the County's Procurement Portal. Offerors are requested to complete and submit with the Proposal. This Form provides County with the name and information of the authorized Officer who can obligate the selected firm in providing the services to the County.

16. BACKGROUND INFORMATION RELATED TO THE SCOPE OF WORK OR SERVICES

16.1. GENERAL INFORMATION

The County was incorporated in 1968 by charter enacted by popular vote of the County's citizens. The County operates under a Council-Administrator form of government and provides traditional county and city services, including police, fire protection, and utility services to a population of approximately 19,500. The County's budget for fiscal year 2026 provides funding for 781 full-time-equivalent employee positions.

The County is unique in that it is the only Class "H" entity in the State of New Mexico and it is governed by its Home Rule Charter. Per the Charter, under Part I, Article I. – Powers of the County, the County shall have all powers possible for a county or a municipal corporation under the constitution and laws of New Mexico as fully and completely as though they were specifically enumerated in this Charter.

As provided in Article X, Section 6, of the Constitution of the State of New Mexico and in the Municipal Charter Act the County may exercise all legislative powers and perform all functions not expressly denied by general law or by other provisions of the Charter.

The County's financial statements and notes are prepared in conformity with generally accepted accounting principles ("GAAP") applicable to local governments. In addition to all services described herein in the Scope of Services, the successful Offeror or Independent Public Accountant ("IPA") is expected to prepare, compile, and submit the County's Annual Comprehensive Financial Report ("ACFR") according to Office of the State Auditor ("OSA"), the Americans with Disabilities Act ("ADA") and the Financial Data Transparency Act ("FDTA") requirements as well as in a format that allows the County to easily print hard-copies of and produce Portable Document Format ("PDF") versions of the document. The County submits the ACFR to the Government Finance Officers Association ("GFOA") for review under the Certificate of Excellence in Financial Reporting program. Certificates of excellence have been achieved every year since the County received the certificate for fiscal year 1991.

For clarity, the County's fiscal years ("FY") begin on July 1 and end on June 30 each year.

The County ACFRs for FY2022, FY2023, FY2024 and the FY2025 and FY2026 Adopted Budgets are available on the County's website at:

<https://www.losalamosnm.us/Government/Staff-Directory-and-Departments/Administrative-Services/Finance-and-Budget/Reports-and-Budgets>

16.2 REPORTING ENTITY

The County's financial statements present the entire County. There are no component units.

The reporting entity includes the County Joint Utility System, a County Department, which is comprised of Electric, Gas, Water, and Wastewater. The County Council appoints a board that manages the Joint Utility System. The County Council also approves the rates for user charges, authorizes the issuance of bonds, and remains legally liable for utility debt.

The reporting entity excludes the Los Alamos School District, which has a separately elected board. The School District is excluded because the County does not provide funding, does not approve budgets, and does not exercise influence over the daily operations.

16.3 FUND STRUCTURE

The County uses funds to report its financial position and the results of its operations. Fund accounting demonstrates legal compliance and aids financial management by segregating transactions related to certain County functions or activities. The following table summarizes the number and type of funds that are being used in FY2026:

General	1
Special Revenue	7
Debt Service	1
Capital Projects	1
Permanent	1
Enterprise*	5
Internal Service	2
Pension Trust	1
Custodial	1
Total	20

* The Joint Utility System Fund has four operating sub-funds, for which combining schedules are presented. The combined expenditure budget for the Joint Utility System Fund for FY2026 is \$108.7 million. It accounts for several series of debt and loan obligations. Please refer to Notes to Financial Statements in the FY2025 ACFR for additional details.

Additionally, the County uses several sub-funds for internal tracking, but they are combined for financial reporting. For the Capital Improvement Fund, there is a subfund for the 2026 Series GRT Revenue Bond of \$40 million beginning in FY2026.

The General Fund represents activities of 14 departments/elected officials (many with several divisions) and with a combined expenditure budget of over \$103 million for FY2026.

The Gross Receipts Tax ("GRT") Revenue Bond Debt Service Fund accounts for amounts accumulated for payment of principal and interest on the 2013 GRT Revenue Bond Series which were issued in June 2013 in the amount of \$38.2 million and advance refunded a portion of the 2008 Series. Additionally, beginning in FY2026, this fund accounts for the 2026 Series GRT Revenue Bond debt service requirements per the \$40 million issuance. Please refer to the Notes to Financial Statements in the FY2025 ACFR for additional details.

The Fire Fund (an enterprise fund) accounts for fire protective services primarily provided under a cooperative agreement between the County and the National Nuclear Security Administration ("NNSA"), an agency of the U.S. Department of Energy ("DOE") and has a budget of approximately \$45.2 million for

FY2026. Reimbursement payments under the cooperative agreement with the NNSA for fire protection services at Los Alamos National Laboratory (“LANL”) provide approximately 76% of the funding.

16.4 BUDGETS

The County adopts an annual budget that includes proposed expenditures and the means of financing them. Encumbrance accounting is used in all funds as an extension of formal budgetary integration.

Budgets are adopted on the modified accrual basis. Annual appropriated budgets are adopted for the general, special revenue, debt service fund, permanent, enterprise, and internal service funds. All appropriations lapse at the end of the fiscal year. Project-length financial plans are adopted for the capital improvements project fund.

16.5 CASH, DEPOSITS, AND INVESTMENTS

A portion of available cash is pooled for investment purposes with interest earnings allocated to participating funds. Excess cash is invested in certificates of deposit, U.S. Treasury notes, bonds, or bills, State Investment Council funds, and in other qualifying investment vehicles. Investments are stated at fair value. Certain funds own investments that are not part of the pooled investments. All deposits and investments are collateralized in accordance with State requirements.

16.6 ELECTRIC RESOURCE POOL

The County and the DOE participate in a resource pool in which each contributes the capacity and energy of their individual electric supply and transmission resources. This pool supplies the power and energy needs of all DOE and County customers in Los Alamos.

16.7 FINANCIAL MANAGEMENT SYSTEM

The County uses an integrated financial management system (“Tyler MUNIS”) that includes the following significant subsystems: general ledger, human resources, budget, fixed assets, purchase orders and contracts, accounts payable, inventory, cash collections, accounts receivable, utility billing, work order, and activity-based (Project) costing. The County also uses other systems that are not integrated with the financial management system. These include property tax, ambulance billing, recreation point of sale/scheduling and business licensing.

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17. SCOPE OF WORK OR SERVICES (“SCOPE”)

17.1 GENERALLY

1. **Restrictions Under NMAC 2.2.2.** Pursuant to NMAC 2.2.8, the New Mexico Office of the State Auditor maintains a list of IPA firms that are approved and eligible to compete for audit contracts, AUPs and other attest engagements with agencies. It is the responsibility of each IPA who submits a Proposal in response to this solicitation to notify the County of potential restrictions under the Audit Rule.
2. **Total One-Year Contract Terms.** As previously stated in Section 8.2, County may, at County's sole option, elect not to contract for all of the years contemplated by a multiple-year Proposal. Should County choose to contract for all possible one-year terms contemplated for six (6) years, the Services will be provided by the IPA under each one-year contract for each fiscal year beginning with the one-year contract for fiscal year ended June 30, 2026 (“FY26”) and may end with a one-year contract for fiscal year ended June 30, 2031 (“FY31”). County recognizes that NMAC 2.2.2 currently allows for one-year contract terms for up to eight (8) total one-year terms. As previously stated in Section 8.2, should an amendment to County's Ordinance occur, and should the selected IPA propose pricing for FY32 and FY33 audit Services in its cost proposal, County may, at County's sole option, extend the total term in accordance with County Ordinance and any applicable State laws, rules, or regulations, including, but not limited to those stated in NMAC 2.2.2.
3. **Compliance with Applicable Requirements, Laws, Rules, and Regulations.** When providing Services and preparing, reviewing, submitting any documents for the County in the performance of Services under a contract with the County, as further described herein, it is the responsibility of the IPA to maintain up-to-date knowledge of, understand, and ensure compliance with any applicable requirements, laws, rules, and regulations governing and related to the Services and preparation and submission of any documents. This includes, but is not limited to the following:
 - County Charter
 - NMAC 2.2.2 requirements
 - OSA requirements, including those of OSA Connect
 - FDTA requirements
 - Office of Management and Budget (“OMB”) requirements
 - Uniform Guidance requirements
 - Governmental Accounting Standards Board Statements (“GASB”)
 - Governmental Auditing Standards
 - ADA requirements
 - WCAG 2.1 Level AA technical standards
 - The Securities and Exchange Commission (“SEC”) Electronic Municipal Market Access (“EMMA”) financial reporting requirements regarding the FDTA, which is not applicable to Agreed Upon Procedures (“AUPs”)

17.2 FINANCIAL AUDIT

The successful IPA will be expected to comply with all requirements of the New Mexico State Auditor, Governmental Accounting Standards Board, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) in connection with audits. It is the responsibility of the IPA to be aware of and comply with these requirements.

The audit must cover the entire operations of the County for the full applicable County fiscal year (s).and must be conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The audit must include a financial and compliance audit encompassing the basic financial statements, internal service funds, fiduciary funds, budgetary comparisons for required budgeted funds, and the accompanying notes to the financial statements in accordance with the Uniform Guidance, and the State Audit Rule requirements.

The IPA must express an opinion on the fair presentation of the County's basic financial statements, internal service funds, fiduciary funds, budgetary comparisons for required budgeted funds, and the accompanying notes to the financial statements in conformity with GAAP applicable to local governments, and the State Audit Rule requirements. The IPA is not required to audit the statistical section and other information schedules contained in the Annual Comprehensive Financial Report. However, the IPA must provide an "in relation to" opinion on the other information schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements.

The audit must include an examination of federal and state assistance grants to the County, and the County's compliance with the laws of the State of New Mexico, State Auditor's rules, and requirements of the United States Department of Treasury and OMB. Reports required under the Single Audit Act for the federal assistance grants must be included as part of the audit. Any other reports that may be required by the State Auditor, or by other laws, rules, or regulations, in connection with the audit also must be included. Please see schedule of expenditures of federal awards and schedule of expenditures of state awards in the County's FY2024 ACFR to gain a better understanding of the scope of state and federal assistance.

The ACFR, including IPA reports, are due to the OSA no later than December 1, following each fiscal year end. The successful IPA will prepare and compile the ACFR and submit it to the OSA as described below in Section 17.7.

17.3 RESOURCE POOL AUDIT (AGREED UPON PROCEDURES)

The County and the DOE have an Electric Coordination Agreement ("ECA") under which the parties combine their electric generation and transmission resources and share the costs based on each party's energy usage and contribution to the peak demand. The County collects the costs and each month prepares an invoice to the DOE for their net cost of power.

The County is seeking accounting and audit services to reconcile the DOE billings to the County's general ledger for the full applicable County fiscal year(s) to verify that such costs are in accordance with the ECA; and to verify that Administrative and General ("A&G") costs billed to the DOE are in accordance with OMB Uniform Guidance 2 CFR Part 200. The County has a cost plan prepared in accordance with OMB Uniform Guidance 2 CFR Part 200 for the fiscal year that was prepared by a consultant.

Resource Pool Audit deliverables, due on or before June 30 following the close of each fiscal year include:

1. A reconciliation of allowable costs incurred to billings for each fiscal year, with a schedule of any required adjustments.
2. A report on the propriety of A&G costs billed to the DOE.

The County is seeking to have these performed timely, just after the completion of the audit and cost plan.

17.4. COST ALLOCATION PLAN REVIEW (AGREED UPON PROCEDURES)

The County is party to a cooperative agreement with the NNSA for fire protection services at LANL. Indirect costs are a normal and allowable expense under the cooperative agreement. The County bills

indirect costs on an estimated basis and anticipates reconciling to “actual costs” as documented in OMB Uniform Guidance 2 CFR Part 200 cost plan(s) prepared by an outside consultant.

The County is seeking accounting and audit services for the full applicable County fiscal year(s) to perform the following procedures as requested by NNSA:

1. Review the cost plan (reported incurred costs) and accounting records and ensure that the allocation methodology applied resulted in an equitable and consistent distribution of costs to the cooperative agreement.
2. Evaluate allocated indirect costs to the cooperative agreement to determine that the costs are allowable and are not duplicated as direct costs under the cooperative agreement.
3. Compute the indirect cost roll-forward adjustment (needed to adjust prior-year estimated cost allocation to actual), to ensure the adjustment is properly computed and that the methodology of reporting the roll-forward is consistent with prior years.
4. Provide to County a report on results of review, due on or before June 30, following the fiscal year(s) end, that complies with all applicable requirements, laws, rules, and regulations, as further described in Section 17.1.2.

17.5. LODGERS TAX SPECIAL AUDIT (AGREED UPON PROCEDURES)

Under the County Code of Ordinances Article II. – Lodger’s Tax, Section 36-43, the County shall select for annual random audits one or more vendors to verify the amount of gross rent subject to the occupancy tax and to ensure that the full amount of occupancy tax on that rent is collected.

The County is seeking accounting and audit services to perform the following procedures:

1. Review the lodging establishments that have been paying occupancy to tax to the County and compare the businesses presently in the County that may be subject to the Lodger’s Tax Ordinance, (via internet, phonebook, business licenses, etc.)
2. Identify any establishments within the County of Los Alamos that may not be in compliance with the Lodger’s Tax Ordinance.
3. On one randomly selected vendor subject to the occupancy tax:
 - 3.1. Maintain Vendee correspondence by letter and arrange to conduct procedures on financial records.
 - 3.2. Select a sample of four monthly tax remittances during the applicable Calendar Year (e.g., January 1, 2026, to December 31, 2026) and:
 - 3.2.1. Agree amounts reported to the revenue collected in the entity’s financial statements and/or general ledger.
 - 3.2.2. Compare ten daily receipts to the room records or other supporting documentation to determine if all income from occupied rooms had been reported.
 - 3.3. Agree the yearly amount of revenue reported to the entity’s financial statements and/or income tax returns.
4. Provide a summary of the agreed upon procedures in a report due to County on or before June 30, following the applicable fiscal year (e.g., the summary for the applicable fiscal year FY26 would be due on June 30, 2027.)

17.6 FINANCIAL ASSURANCE (AGREED UPON PROCEDURES)

In accordance with the Local Government Financial Test – NMAC 20.9.10.19, the County currently provides financial assurance for the closure and post-closure care of the Los Alamos County Transfer Station (Eco Station) through the Local Government Financial Test. The NMED Solid Waste Bureau additionally requires IPA to provide a report verifying that it has reviewed the County’s Financial Assurance letters submitted to NMED and compared them with the County’s year-end financial statements, confirming that all reported data is accurate and aligned.

The County is seeking accounting and audit services to perform the following procedures:

1. Review the County's Financial Assurance Letters for the full applicable County fiscal year(s) and verify that the data contained therein aligns with the data from the County's year-end financial statements.
2. Upon verification of the data, create and provide to County a report attesting that IPA has verified the data due on or before February 10 following the close of each fiscal year.
3. County shall be responsible for submitting IPA's reports to NMED to satisfy the requirements of NMAC 20.10.9.

17.7 PREPARATION, COMPILATION, AND SUBMISSION OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

The County is seeking accounting and audit services to prepare, compile and submit to the OSA, on the County's behalf, the ACFR. County expects that the successful IPA will complete the ACFR for County review prior to the Thanksgiving holiday and expects the successful IPA to plan its work to meet this tentative goal, which may be adjusted upon mutual agreement of County and the successful IPA during the audit cycle, provided County is allowed sufficient time for reviews and such an adjustment does not prevent submission of the ACFR by any required deadlines. These services include, but are not limited to the following:

1. Preparing the ACFR, in consultation with County staff, in accordance with all applicable laws, rules, and regulations as further described in Section 17.1.2. The individual tasks the IPA will be asked to perform to prepare the ACFR may differ from year to year. It is expected that Offerors have knowledge of and fully understand the level of effort and costs required for the IPA to perform all tasks associated with preparing an ACFR. At any time, the County may, at County's sole option, choose to self-perform some of the ACFR preparation tasks rather than requesting they be performed by the IPA, which may be determined prior to executing a one-year agreement or may be determined at any time during the annual audit cycle process. County is not asking Offerors to propose line-item pricing on each possible task to prepare the ACFR; however, Offerors are asked to propose lump-sum not-to-exceed pricing for each year to perform all tasks to fully prepare the ACFR and also describe how the lump-sum pricing may be reduced to account for any such possible reductions in the IPA's required level effort to prepare the ACFR, if requested at any time by County.
2. Submitting a draft ACFR to County for the review and working in consultation with County to edit the draft and make any necessary changes.
3. After finalizing the ACFR and after obtaining County approval on the final, submitting the ACFR to OSA through OSA Connect, or whatever method is required by the OSA.
4. Working directly with OSA on any technical submission issues to ensure timely submission by required deadlines.
5. Confirming submission to County in writing, showing evidence that the ACFR has been successfully submitted to OSA.
6. Sharing with County any communication from OSA related to County's ACFR submission and approval.

17.8 SOFTWARE

This section is only applicable to Offerors who propose to provide any of the requested Services to County as a software license and/or software subscription, such as through a Software-as-a-Service ("SaaS") or Platform-as-a-Service ("PaaS"), or who propose to provide access to their software through user accounts issued to County staff. County reserves the right to request any additional information and clarification related to software proposed by Offeror. If this is not applicable to your Proposal, please state "Not Applicable" in your response under this section. If this is applicable to your Proposal, please describe the following:

1. **Subscription and/or Licensing Information.** Describe all related licensing or subscription information County will be asked to consider.

2. **Warranty.** Describe Offeror's warranty for software performance.
3. **Maintenance and Support.** Describe all ongoing software maintenance and support services offered.
4. **Data Ownership and Storage.** Affirm that County will retain all rights and ownership to any County data stored in Offeror's software and that that all County data in Offeror's software will be stored in the United States. If applicable, describe Offeror's third-party hosting provider.
5. **Service Level Agreement ("SLA").** Provide a copy of Offeror's SLA and describe how service credits are calculated and issued if Offeror does not meet the software uptime stated in the SLA.
6. **County Technology Standards.** Software utilized by the County will conform to the applicable County requirements for solutions as defined in the Los Alamos County Technology Standards provided on the county's Procurement Portal. Offerors are asked to affirm in their RFP response, using the County Technology Standards Form, that their proposed software is in conformance with the applicable requirements.
7. **Software Functional Descriptions and Technical Specifications.** Provide a complete and comprehensive list and description of all software features and functionality offered to County.
8. **Integrations with County Systems.** Describe in detail if and how proposed software may integrate with other possible County systems and software, such as Tyler MUNIS and software.
9. **Software Implementation or Onboarding.** Provide a detailed scope of work and project schedule for any implementation services to be provided, including all tasks, phases, deliverables, and responsibilities of Offeror and County.
10. **Training and Consulting.** Describe any training and consulting services Offeror proposes to provide during initial software implementation and throughout the term of an agreement.

17.9 ADDITIONAL AND OPTIONAL PRODUCTS AND SERVICES

County may request, at County's sole option, additional and optional products and services related to the Scope of Services stated herein or in the final Agreement between the selected Offeror and County. The parties will work in good faith to amend the Agreement in accordance with any applicable laws, rules, regulations, policies and procedures, including but not limited to those of NMAC 2.2.2, to accommodate the additional requests by the County. If such changes increase costs of the services beyond the not-to-exceed compensation amounts provided in the Agreement, such an increase must be approved and authorized by an amendment to the Agreement, and in accordance with NMAC 2.2.2. Offerors are asked to acknowledge this requirement in their Proposals and include in their Proposals all such related costs including, but not limited to hourly rates for additional professional time, including travel, etc.

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18. PROPOSAL FORMAT AND RESPONSE COMPONENTS

- 18.1. Offerors must submit a Proposal to the County in the format described herein, subject to Section 8.5, and through the County's Procurement Portal. Information provided in the Proposal may be used in the contract between the successful Offeror and the County.
- 18.2. To facilitate the review process, unless otherwise stated herein, County's preference, though not a requirement, is that Proposals be limited to fifty (50) pages, not including exhibits, attachments, or marketing materials; that Proposals are 8.5 x 11-inch format; and that general marketing materials should not exceed ten (10) pages.
- 18.3. Unless otherwise specified herein or on the County's Procurement Portal, Proposal documents should be submitted in PDF format.
- 18.4. For uniformity in the Proposal review process, please sequence Proposals as shown below using the same header names as below. Additional information may be included by Offerors in attachments, provided that Proposals include and address, in the sequence requested, the elements requested in the Proposal Format and Scope.
- 18.5. Whenever describing Offeror's ability to provide the services described in the Scope, reference the header for that section and restate the section to which Offeror is responding.
- 18.6. As determined acceptable by the evaluation committee, the successful Offeror will be selected to provide some or all of the services described herein, to meet the County's needs. Offerors are expected to identify in their Proposals any modifications to the proposed Scope that may be deemed necessary or might aid in successfully delivering services
- 18.7. **Proposal Response Components.** Responses should include the following Proposal Response Components:

Sect. No.	Section Title	Submission Information (In addition to any other information requested herein.)
1	Cover Sheet (One page only)	1. Provide the full legal name of the Contractor who will execute the contract, and the name, phone number, and e-mail address of the primary person responsible for responding to questions and communication related to the RFP. 2. Reference the RFP number and name.
2	Cover Letter and Executive Summary (One page only)	1. Include qualifications and a narrative description of the characteristics that set the Offeror apart such as unique examples of service or added value, and any recognition or endorsements received. 2. Provide a clear, concise overview of Offeror's Proposal.
3	Firm Qualifications and Peer Review Results	Provide a profile of the firm (local office to perform the audit) giving numbers of partners, managers, accountants, office staff, etc. Also, include other resources that demonstrate firm's qualifications, including a copy of the most recently completed peer review report.
4	Experience Performing Audits of Local Governments	Provide descriptions of audits performed for New Mexico counties or municipalities that included user-charged utilities services.
5	Experience Providing Implementation Guidance of New GASB	Provide guidance on how to implement new GASB pronouncements for New Mexico counties or municipalities.

Sect. No.	Section Title	Submission Information (In addition to any other information requested herein.)
	Pronouncements to Local Governments	
6	Experience Performing Single Audits	Provide descriptions of significant audits of federal funds. Include any experience the firm has working with grant oversight agencies, or other audit agencies such as the Defense Contract Audit Agency (DCAA), U.S. Office of the Inspector General, and Uniform Grant Guidance (UGG).
7	Qualifications and Experience of Staff Assigned to Audit	Provide resumes of those staff members to be specifically assigned to this audit. Provide information regarding these individuals fulfillment of continuing professional education requirements relating to governmental audits. Provide names, addresses, and telephone numbers of at least three clients similar to the County of Los Alamos who may be contacted for reference for the staff members assigned to this audit. Highlight any staff knowledge and experience in auditing an entity after an ERP conversion.
8	Scheduling, Audit Approach, Agreed-Upon Procedures, and Preparation Compilation of the ACFR and AUP reports in accordance with applicable requirements, laws, rules, and regulations	Provide a statement of your understanding of the work required for each of the services described in the Scope of Work Sections 17.1 – 17.8, a description of the approach to be taken or special services to be provided, and the procedures to be followed. Additionally, a sample timeline with a proposed number of staff assigned and estimated work hours should be included.
9	Additional, Optional Products and Services	1. Affirm Offeror's understanding that County may potentially request additional and optional products and services throughout the term of an agreement as described in the scope. 2. Propose the requested pricing for such services in the Cost Proposal Worksheet.
10	Cost Proposal	1. Provide total costs proposed for all possible years of an agreement using the instructions provided on the <u>Cost Proposal Sheet</u> available in the County's Procurement Portal. 2. In accordance with County Code, the use of a cost-plus-a-percentage-of-cost contract is prohibited.
11	Submission of County's Standard Sample Service Agreement with Deviations or Exceptions Noted or Statement of No Deviations or Exceptions.	1. Offeror must note in their response any deviations or exceptions, if any, to the County's Standard Sample Services Agreement, provided on the County's Procurement Portal. Provide the original language with the County's standard terms and any suggested edits; or 2. Alternatively, state that Offeror has no deviations or exceptions. 3. Offerors should provide with their Proposal any of their own standard contractual terms or provisions the County will be asked to consider if Offeror is selected for award. This may include, but is not limited to, such things as a sample Master Services Agreement or Licensing Agreement and any additional governing documents referenced within those sample standard agreements. Offerors should note if their own standard contractual terms or provisions conflict with those provisions provided in the County's Sample Services Agreement. 4. The County may consider, but is under no obligation to accept, any of Offeror's contractual terms or provisions included in Offeror's Proposal.
12	Additional Documents to Submit with Proposals	In addition to all other components requested herein, submitted Proposals should include, but may not be limited to the following. If a document is

Sect. No.	Section Title	Submission Information (In addition to any other information requested herein.)
		required, it will be noted as such in the County's Procurement Portal, and Offerors will be unable to submit Proposals without all required documents. 1. Certification Regarding Debarment, Suspension, and other Responsibility Matters 2. Campaign Contribution Disclosure Form 3. Verification of Authorized Offeror 4. Request for Preference Form 5. County Technology Standards, completed if applicable 6. Signed copies of any addenda issued.

19. EVALUATION CRITERIA

Responsible Offeror means a person, who has been determined by the Chief Purchasing Officer or evaluating committee to have the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.

Responsive Offeror means a person who has submitted an offer that conforms in all material respects to the requirements set forth in the RFP.

	Criteria	Weighted Points
1	Firm qualifications and peer review	5
2	Experience performing audits of local governments	15
3	Experience providing implementation guidance of new GASB pronouncements to local governments.	15
4	Experience performing Single Audits	10
5	Qualifications and experience of specific staff assigned to audit	15
6	Ability to provide the Scope of Services and methodology, including Offeror's software (if applicable), and timeline for completing audit and agreed upon procedures and preparing, compiling and submitting the ACFR and AUP reports according to applicable requirements, including but not limited to those of the OSA, ADA, and FDTA	25
7	Cost Proposal	15
	Total Score	100

EXHIBIT A
Sample OSA Agreement

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STATE OF NEW MEXICO AUDIT CONTRACT

Los Alamos County

hereinafter referred to as the "Agency," and

hereinafter referred to as the "Contractor," agree:

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

1. **SCOPE OF WORK** (Include in Paragraph 25 any expansion of scope)

- A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year **2025** in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act, Sections 12-6-1 through 12-6-15, NMSA 1978, and the Audit Rule (Section 2.2.2.1 NMAC *et seq.*).

2. **DELIVERY AND REPRODUCTION**

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the documents required by Section 2.2.2.9 NMAC to the State Auditor on or before the deadline set forth for the Agency in Section 2.2.2.9 NMAC.
- B. Reports delivered electronically by 5:00p.m. of the Agency's due date will be considered received by the due date for purposes of Section 2.2.2.9 NMAC. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with Section 2.2.2.13 NMAC. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to delivery of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor in accordance with Section 2.2.2.9 NMAC.
- D. Pursuant to Section 2.2.2.10 NMAC, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- E. After its review of the audit report pursuant to Section 2.2.2.13 NMAC, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, and any other required electronic schedule (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver **4** copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.
- F. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed dated collection form and the reporting package described in Section 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. **COMPENSATION**

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

C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	
(2) Federal single audit	
(3) Financial statement preparation	
(4) Other nonaudit services, such as depreciation schedule updates	
(5) Other (i.e., component units, specifically identified)	

Gross Receipts Tax =

Total Compensation = including applicable gross receipts tax

D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.

E. The State Auditor may authorize progress payments to the Contractor by the Agency; pursuant to Section 2.2.2.8(M)(3) NMAC; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. If requested by the State Auditor, the Agency shall provide a copy of the progress billings. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. **TERM.** Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the latest date on which it is signed.

5. **TERMINATION, BREACH AND REMEDIES**

A. This Contract may be terminated:

1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to Section 2.2.2.8 NMAC, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. **THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.**

6. **STATUS OF CONTRACTOR**

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

7. **ASSIGNMENT**

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

8. **SUBCONTRACTING**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to Section 2.2.2.8 NMAC, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the State Auditor from entering into such a contract.

9. **RECORDS**

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. **RELEASE**

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

11. **CONFIDENTIALITY**

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

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

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

13. **CONFLICT OF INTEREST**

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

14. **INDEPENDENCE**

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

15. **AMENDMENT**

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. **MERGER**

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to Section 2.2.2.10 NMAC, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated**

documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.

17. **APPLICABLE LAW**

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

18. **AGENCY BOOKS AND RECORDS**

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

19. **APPROPRIATIONS**

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

20. **PENALTIES FOR VIOLATION OF LAW**

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

21. **EQUAL OPPORTUNITY COMPLIANCE**

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

22. **WORKING PAPERS**

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

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

23. **DESIGNATED ON-SITE STAFF**

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

24. **INVALID TERM OR CONDITION**

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

25. **OTHER PROVISIONS**

SIGNATURE PAGE

This Contract is made effective as of the date of the latest signature.

AGENCY

Los Alamos County

CONTRACTOR

[REDACTED]

PRINTED
NAME: Anne W.
Laurent

TITLE: County
Manager

PRINTED
NAME: **[REDACTED]**

TITLE: President

Electronically Signed on 07/28/2025 8:16:31 AM

Electronically Signed on 2025-07-28 09:18:27