

- Group 2:** San Francisco Employees' Retirement System
- Group 3:** Successor Agency to the Redevelopment Agency of the City and County of San Francisco
- Group 4:** San Francisco Health Service System Other Employment Benefit Trust Fund
- Group 5:** City and County of San Francisco International Airport
- Group 6:** Port of San Francisco
- Group 7:** San Francisco Finance Corporation
- Group 8:** San Francisco Public Utilities Commission (4 funds)
- Group 9:** San Francisco Municipal Transportation Agency
- Group 10:** Various State of California Project Grants
- Group 11:** City and County of San Francisco Retiree Health Benefit Trust Fund
- Group 12:** Actuarial Valuations of City's Workers' Compensation and General Liability Programs

*Proposers must meet the Minimum Qualifications described in RFP Section VIII to be considered for evaluation. For Minimum Qualifications details, refer to RFP Attachment 5. The selected Contractor(s) shall ensure it provides services compliant with all standards and requirements in accordance with generally accepted auditing standards and requirements as promulgated by American Institute of Certified Public Accountants ("AICPA"), the Governmental Accounting Standards Board ("GASB"), and the Office of Management and Budget ("OMB").

3. General Background and Structure of City & County of San Francisco

San Francisco is a city and county chartered by the State of California pursuant to Article II, Sections 6 and 8 of the California Constitution. It is the only one of its kind in California, and as such can exercise the powers of both a city and county under State law. Education functions are carried out by the San Francisco Unified School District and the San Francisco Community College District, each with a separate governing board.

The City is one of the largest and most complex municipalities in the State of California. The City is governed primarily by its Charter ("City Charter" or "Charter"). The original Charter was adopted in 1931 and was in effect until June 30, 1996. On November 7, 1995, voters approved Proposition E for the adoption of a new Charter. The new Charter took effect July 1, 1996. Both the old and new Charter provide for an elected Board of Supervisors consisting of eleven members and an elected mayor who serves as chief executive officer. Under the Charter, the Controller serves as the chief fiscal officer of the City. For a current organization chart of the City, see Page xiii of the 2021 Annual Comprehensive Financial Report ("ACFR") at the following web address: <https://sfcontroller.org/sites/default/files/Documents/CCSF%20ACFR%20FY2021.pdf>.

City Charter Section 9.117 calls for the establishment of an Audit Committee of the Board of Supervisors. The Audit Committee shall:

- a) Maintain a direct and separate line of communication between the Board of Supervisors and the City and County's independent auditor;
- b) Meet with the independent auditor to review the audited annual financial statement and the auditor's report on such matters as the quality and depth of management and compliance;
- c) Recommend appropriate action to be taken by the Board of Supervisors to implement recommendations contained in the audit report;
- d) Follow up, as necessary, to ensure that approved recommendations are promptly implemented; and
- e) Perform other duties as assigned by the Board of Supervisors.

The Board of Supervisors Government Audit and Oversight Committee will review the recommendation of the Controller’s Office Evaluation Team for the selection of the Contractors.

Upon completion of the annual audits, the ACFR is provided to the Board of Supervisors Government Audit and Oversight Committee (“Committee”). In addition, the management letters are presented to the Committee for review.

4. Annual Financial Audits

In compliance with City Charter Section 2.115 and California Government Code Sections 25250 and 25253, the City is required to have annual audits performed by independent public accounting firms for the following entities and areas:

Annual Comprehensive Financial Report (“ACFR”)
Office of the Controller (General City)
Zuckerberg San Francisco General Hospital and Trauma Center
Laguna Honda Hospital
Single Audit
Other Funds
San Francisco Employees’ Retirement System
Office of Community Investment and Infrastructure (Successor Agency to the Redevelopment Agency of the City & County of San Francisco)
San Francisco Health Service System Other Employment Benefit Trust Fund
City and County of San Francisco International Airport
Port of San Francisco
San Francisco Public Utilities Commission – San Francisco Water Enterprise
San Francisco Public Utilities Commission – San Francisco Wastewater Enterprise
San Francisco Public Utilities Commission – Hetch Hetchy Water and Power and CleanPowerSF
San Francisco Municipal Transportation Agency
As-needed accounting and auditing services

Audits shall be conducted in accordance with generally accepted auditing standards and requirements as promulgated by AICPA, GASB, and OMB.

B. Anticipated Contract Term

A contract awarded pursuant to this Solicitation is estimated to have an original term of up to four years. The City at its sole, absolute discretion, is estimated to have the option to extend the term for up to three additional years for a total of seven years. Based on negotiations, actual contract term and budget may vary depending upon service needs and Contractor performance at the City’s sole discretion.

C. Anticipated Contract Not to Exceed Amount

The not to exceed (“NTE”) amount for a contract awarded pursuant to this Solicitation cannot be anticipated at the time of this Solicitation but shall be based on the selected Proposal. Should the contract be extended, the NTE may proportionally increase as well.

Proposers must submit a full seven (7)-year budget in RFP Attachment 5. All proposal budgets will be evaluated (in accordance with RFP Section IX. Written Proposal, C. Approach and Cost, 5. Reasonableness and Clarity of Cost Estimate). Although the City requests for year one (1) through year four (4) that the annual budget for services shall not exceed the current fiscal year

end budget, proposals that exceed the current budget (see RFP Section IV. J. Annual Budget for Services) will be considered. If a proposal exceeds the current budget (see RFP Section IV. J. Annual Budget for Services), then the Proposer must submit written justification in RFP Attachment 5.

The City requests a four-year rate lock with a maximum 3% annual increase for the remaining three years. Based on negotiations, actual contract term and budget may vary, depending upon service needs and Contractor performance at the City's sole discretion. Proposer(s) selected must be available to commence work on or before June 1, 2023. The above information in Anticipated Contract Not to Exceed Amount shall supersede any conflicting language in the RFP.

D. Reserved (Indefinite Quantity, As-Needed Contract).

E. Cooperative Agreement

Any other City department, public entity or non-profit made up of multiple public entities, may use the results of this Solicitation to obtain some or all of the commodities or services to be provided by Proposer under the same terms and conditions of any contract awarded pursuant to this Solicitation.

F. Public Disclosure

All documents under this solicitation process are subject to public disclosure per the California Public Records Act (California Government Code Section §6250 et. Seq) and the San Francisco Sunshine Ordinance (San Francisco Administrative Code Chapter 67). Contracts, Proposals, responses, and all other records of communications between the City and Proposers shall be open to inspection immediately after a contract has been awarded. Nothing in this Administrative Code provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit.

If the City receives a Public Records Request ("Request") pertaining to this solicitation, City will use its best efforts to notify the affected Proposer(s) of the Request and to provide the Proposer with a description of the material that the City deems responsive and the due date for disclosure ("Response Date"). If the Proposer asserts that some or all of the material requested contains or reveals valuable trade secret or other information belonging to the Proposer that is exempt from disclosure and directs the City in writing to withhold such material from production ("Withholding Directive"), then the City will comply with the Withholding Directive on the condition that the Proposer seeks judicial relief on or before the Response Date. Should Proposer fail to seek judicial relief on or before the Response Date, the City shall proceed with the disclosure of responsive documents.

G. Limitation on Communications During Solicitation

From the date this Solicitation is issued until the date the competitive process of this Solicitation is completed (either by cancelation or final Award), Proposers and their subcontractors, vendors, representatives and/or other parties under Proposer's control, shall communicate solely with the Contract Administrator whose name appears in this Solicitation. Any attempt to communicate with any party other than the Contract Administrator whose name appears in this Solicitation – including any City official, representative or employee – is strictly prohibited. Failure to comply with this communications protocol may, at the sole discretion of City, result in the disqualification

of the Proposer or potential Proposer from the competitive process. This protocol does not apply to communications with the City regarding business not related to this Solicitation.

H. Solicitation Schedule

The anticipated schedule for this Solicitation is set forth below. These dates are tentative and subject to change. It is the responsibility of the Proposer to check for any Addenda to this Solicitation or other pertinent information posted in the City’s Supplier Portal.

Solicitation Schedule*

Request for Proposals (RFP) Issuance	3/15/2022
Contract Monitoring Division (CMD) Technical Assistance Period: Email: Regina.Chan@sfgov.org	3/15/2022-4/24/2022
Deadline for RFP Questions via email to CentralContracts@sfgov.org	3/21/2022 at 11:00 am PT
CMD Pre-Proposal Remote Conference Strongly Recommended - Questions and Answers (QA) limited to CMD requirements, vendor compliance, RFP process. - QA is not for Scope of Work or project questions (which must be emailed by Deadline for RFP Questions). Microsoft Teams meeting Join on your computer or mobile app Click here to join the meeting Or call in (audio only) +1 415-906-4659 .,232625564# United States, San Francisco Phone Conference ID: 232 625 564#	3/22/2022 at 1:00 pm PT
Answers to RFP Questions Available at SF City Partner Portal	3/28/2022
Deadline for Courtesy Email for Intent to Respond via email to CentralContracts@sfgov.org	4/15/2022
Deadline for RFP Proposals	4/25/2022 at 11:00 am PT
Short-Listing Notification for Oral Interviews for up to Top 3 Highest Ranked Proposers for each Group	6/8/2022-6/27/2022
Period for Protesting Short-Listing Notification of Oral Interviews for up to Top 3 Highest Ranked Proposers for each Group	Within three (3) business days of the City’s issuance of Short-Listing Notification of Oral Interview.
Oral Interviews for up to top 3 Highest Ranked Proposers for each Group	6/13/2022-6/30/2022
Notice of Intent to Award	9/1/2022
Period for Protesting Notice of Intent to Award	Within three (3) business days of the City's issuance of a Notice of Intent to Award.
Contract Administrator	Joyce Kimotsuki Contracts Manager Office of the Controller Email: CentralContracts@sfgov.org

For questions on CMD Forms and requirements, please immediately contact the CMD Officer:	Regina Chan Email: Regina.Chan@sfgov.org Website: www.sfgov.org/cmd
For questions on How to become a Bidder and submit Proposal using SF City Partner Portal	Job Aid: https://sfcitypartnersupport.sfgov.org/support/solutions/11000049605 User Support: https://sfcitypartner.sfgov.org/pages/contact.aspx User Support tel. (415) 944-2442 Mon-Fri 8:30am-5:00pm PT

*Dates are subject to change. It is the responsibility of the Proposer to check the website for updates on a regular basis. All times are Pacific Time.

The CMD Informational Conference Details: The CMD Informational Conference will begin at the time specified. Proposers’ representatives are urged to arrive on time. Topics already covered will not be repeated for the benefit of late arrivals. **Failure to attend the Pre-Proposal Conference shall not excuse the awarded Proposer from any obligations of a contract awarded pursuant to this Solicitation.** Any change or addition to the requirements contained in this Solicitation as a result of the Pre-Proposal Conference will be executed by a written Addendum to this Solicitation. It is the responsibility of the Proposer to check for any Addendum to this Solicitation or other pertinent information posted on the City’s Supplier Portal: <https://sfcitypartner.sfgov.org/pages/index.aspx>.

I. How to Register as a City Supplier

The following requirements pertain only to Proposers not currently registered with the City as a Supplier.

Step 1: Register as a BIDDER at City’s Supplier Portal:
<https://sfcitypartner.sfgov.org/pages/index.aspx>

Step 2: Follow instructions for converting your BIDDER ID to a SUPPLIER ID. This will require you to register with the City Tax Collector’s Office and submit Chapter 12B and 12C forms through the Supplier portal. Once these forms have been completed, submitted, and processed, you will be notified via email with your organization's new Supplier ID. That email will also provide instructions for completing your Supplier registration.

- **City Business Tax Registration Inquiries:** For questions regarding business tax registration procedures and requirements, contact the Tax Collector’s Office at (415) 554-4400 or, if calling from within the City and County of San Francisco, 311.
- **Chapter 12(B) and 12(C) Inquiries:** For questions concerning the City’s Chapter 12(B) and 12(C) Equal Benefits and Non-Discrimination in Contracting requirements, go to: www.sfgov.org/cmd.

J. Proposal Questions and Submissions

1. Proposer Questions and Requests for Clarification

Proposers shall address any questions regarding this Solicitation to the Contract Administrator whose name and contact information appears on the cover page of this Solicitation. Proposers who fail to submit questions concerning this Solicitation and its requirements will waive all further rights to protest based on the specifications and conditions herein. **Questions must be submitted by email to the Contract Administrator whose name and contact information appears on the cover page of this Solicitation no later than the Deadline for RFP Questions or requests for clarification.** A written Addendum will be executed addressing each question and answer and posted publicly. It is the responsibility of the Proposer to check for any Addenda and other updates that will be posted on the City's Supplier Portal: <https://sfcitypartner.sfgov.org/pages/Events-BS3/event-search.aspx>.

2. Proposal Format

Proposals must be created using a word processing software (e.g., Microsoft Word or Excel). The document must have page margins of at least .5" on all sides. Information must be provided at a level of detail that enables effective evaluation and comparison between Proposals. Failure to follow formatting, submission, or content requirements, as well as page limit restrictions (if any), may negatively impact the evaluation of your Proposal. Complete, but concise proposals, are recommended for ease of review by the Evaluation Team. Marketing and sales type information should be excluded. All parts, pages, figures, and tables should be numbered and clearly labeled.

3. Time and Place for Submission of Proposals

Prior to the Deadline for RFP Proposals, Proposers must upload their complete Proposals into the City's Supplier Portal: <https://sfcitypartner.sfgov.org/pages/index.aspx>. Late submissions will not be considered. Please note that the SF City Partner Portal has a hard-stop at the Deadline for RFP Proposals and will become inaccessible within the next second. Each original Proposal received will be screened to ensure that all content required by this Solicitation is included. Partial or complete omission of any required content may disqualify Proposals from further consideration. Late Proposal submissions will not be considered and failure to adhere to the above requirements may result in the complete rejection of your Proposal.

Proposers are encouraged to upload their Proposals to the SF Supplier Portal as early as possible to address any technical issues that may arise during the submission process. Please reference Event ID **xx** when contacting User Support for any troubleshooting: <https://sfcitypartner.sfgov.org/pages/contact.aspx> or tel. (415) 944-2442, 8:30 am – 5:00 pm PST, Monday through Friday. In the event a Proposer is unable to upload its complete Proposal into the SF Supplier Portal, Proposer must email its Proposal to the Contract Administrator whose name and contact information appears on the cover page of this Solicitation prior to the Deadline for RFP Proposals and request confirmation of receipt. Proposer must include in its email: (a) documentation (e.g., screenshots) verifying its inability to upload its Proposal into the SF Supplier Portal and (b) a detailed justification explaining why it was not able to have the issue addressed prior to the Deadline for RFP Proposals.

K. Proposal Selection

The acceptance and/or selection of any Proposal(s) shall not imply acceptance by the City of all terms of the Proposal(s), which may be subject to further approvals before the City may be legally bound thereby.

L. Contract Terms and Negotiations

The successful Proposer will be required to enter into an Agreement substantially in the form of the Agreement attached hereto as Attachment 1, City's Proposed Agreement Terms. **If Proposer is unable to accept City's Proposed Agreement Terms substantially in the form presented, Proposer shall include a revised copy of City's Proposed Agreement with its Proposal.** The revised copy of the Proposed Agreement must clearly:

- (1) Mark those sections to which it objects;
- (2) Set forth Proposer's alternative terms with respect to each such section; and
- (3) Explain the basis for each proposed change.

If a satisfactory contract(s) cannot be negotiated in a reasonable time, the City, in its sole discretion, may terminate negotiations. Upon termination of negotiations, City may begin negotiation with the Proposer that meets the Minimum Qualifications of this Solicitation whose Proposal receives the next highest-ranking score.

M. Protest Procedures

1. Protest of Non-Responsiveness Determination

Within three (3) business days of the City's issuance of a Notice of Non-Responsiveness, a Proposer may submit a written Notice of Protest of Non-Responsiveness. The Notice of Protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The Notice of Protest must be signed by an individual authorized to represent the Proposer, and must cite the law, rule, local ordinance, procedure or Solicitation provision on which the protest is based. In addition, the Notice of Protest must specify facts and evidence sufficient for the City to determine the validity of the protest.

2. Protest of Non-Responsible Determination

Within three (3) business days of the City's issuance of a Notice of Non-Responsibility, a Proposer may submit a written Notice of Protest of Non-Responsibility. The Notice of Protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The Notice of Protest must be signed by an individual authorized to represent the Proposer, and must cite the law, rule, local ordinance, procedure or Solicitation provision on which the protest is based. In addition, the Notice of Protest must specify facts and evidence sufficient for the City to determine the validity of the protest.

3. Protest of Short-Listing Notification of Oral Interviews

Within three (3) business days of the City's issuance of the Short-Listing Notification of Oral Interviews, if Proposer has not advanced to Oral Interviews and wishes to protest, they are advised to do so at this time rather than at the time of Notice of Intent to Award as outlined in the following section.

4. Protest of Contract Award

Within three (3) business days of the City's issuance of a Notice of Intent to Award, a Proposer may submit a written Notice of Protest of Contract Award. The Notice of Protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The Notice of Protest must be signed by an individual authorized to represent the Proposer, and must cite the law, rule, local ordinance, procedure or Solicitation provision on which the protest is based. In addition, the Notice of Protest must specify facts and evidence sufficient for the City to determine the validity of the protest.

5. Delivery of Protests

A Notice of Protest must be written. Protests made orally (e.g., by telephone) will not be considered. A Notice of Protest must be delivered by email to the Contract Administrator whose name and contact information appears on the cover page to this Solicitation and received by the due dates stated above. A Notice of Protest shall be transmitted by a means that will objectively establish the date the City received the Notice of Protest.

6. Protest Review

The Controller's Office will confirm receipt of notice of protest by Proposer which must be submitted in accordance to above Sections M.1, M.2, M.3, and M.4. If a Proposer submits a complete and timely protest, the Controller's Office will review notice of protest soon after receipt of the protest to determine validity of notice, including but not limited to: i) receipt by due date; ii) inclusion of a written statement specifying in detail each and every one of the grounds asserted for the protest; iii) signed by an individual authorized to represent the Proposer; iv) citation of the law, rule, local ordinance, procedure, or RFP provision on which the protest is based; and v) specification of facts and evidence sufficient for the City to determine the validity of the protest. A Proposer may not rely on a Protest submitted by another Proposer but must timely pursue its own Protest.

The City, at its discretion, may make a determination regarding a protest without requesting further documents or information from the Proposer who submitted the protest. Accordingly, the initial protest must include all grounds of protest and all supporting documentation or evidence reasonably available to the prospective Proposer at the time the protest is submitted. If the Proposer later raises new grounds or evidence that were not included in the initial protest, but which could have been raised at that time, then the City may not consider such new grounds or new evidence.

If the notice of protest is determined to be valid, the Controller's Office shall review facts and evidence to determine the outcome of the protest, citing any applicable laws, rules, ordinances, procedures, and/or provisions. The review shall be an informal process, conducted by the Controller's Office or its designee, and will be based upon the information submitted by the Proposer in its protest letter. The Controller's Office may seek input from the City Attorney's Office, Office of Contract Administration, Contract Monitoring Division, and/or other City departments as needed or appropriate. The Controller's Office will notify the Proposer in writing of its decision at the conclusion of the review. The Controller's Office or its designee shall make the final determination regarding the outcome of the protest. The decision of the Controller's Office or its designee is final.

II. CITY'S SOCIAL POLICY REQUIREMENTS

The San Francisco Municipal Code establishes a number of requirements for people seeking to do business with the City ("Social Policy Requirements"). These Social Policy Requirements can be found in Attachment 1, City's Proposed Agreement Terms. The Social Policy Requirements set forth below are NOT intended to be a complete list of all Social Policy Requirements applicable to this Solicitation and any contracts awarded from it. Proposers are encouraged to carefully review the Social Policy Requirements applicable to this Solicitation contained in Attachment 1, City's Proposed Agreement Terms.

A. Proposers Unable to do Business with the City

1. Generally

Proposers that do not comply with laws set forth in San Francisco’s Municipal Codes may be unable to enter into a contract with the City. Laws applicable to this Solicitation are set forth below and in Attachment 1, City’s Proposed Agreement Terms.

2. Administrative Code Chapter 12X

Subject to certain exceptions, Proposers are advised that this Solicitation is subject to the requirements of Administrative Code Chapter 12X, which prohibits the City from entering into a contract with a Proposer that (a) has its headquarters in a state that has enacted a law that perpetuates discrimination against LGBT people and/or has enacted a law that prohibits abortion prior to the viability of the fetus, or (b) will perform any or all of the work on the contract in such a state. Chapter 12X requires the City Administrator to maintain a list of such states, defined as “Covered States” under Administrative Code Sections 12X.2 and 12X.12. The list of Covered States is available on the website of the City Administrator (<https://sfgsa.org/chapter-12x-state-ban-list>). Proposers will be required to certify compliance with Chapter 12X as part of their Proposal, unless the City determines that a statutory exception applies. *Refer to Attachment 1, City’s Proposed Agreement Terms for additional details related to the application of this Ordinance to a contract awarded pursuant to this Solicitation.*

3. Administrative Code Chapter 12B

A Proposer selected pursuant to this Solicitation may not, during the term of the Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code. *Refer to Attachment 1, City’s Proposed Agreement Terms for additional details related to the application of this Ordinance to a contract awarded pursuant to this Solicitation.*

B. Reserved. (Prevailing Wage Ordinance)

C. Health Care Accountability Ordinance

A Proposer selected pursuant to this Solicitation shall comply with the requirements of Chapter 12Q. For each Covered Employee, an awarded Proposer shall provide the appropriate health benefit set forth in Section 12Q.3 of the Health Care Accountability Ordinance (HCAO). If a Proposer selected pursuant to this Solicitation chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of the Chapter 12Q and the Health Commission’s minimum standards are available at <http://sfgov.org/olse/hcao>. Any Subcontract entered into by Proposer shall also be required to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this section. *Refer to Attachment 1, City’s Proposed Agreement Terms for additional details related to the application of this Ordinance to a contract awarded pursuant to this Solicitation.*

D. Minimum Compensation Ordinance

A Proposer selected pursuant to this Solicitation shall comply with Administrative Code Chapter 12P. A Proposer selected pursuant to this Solicitation shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. A Proposer selected pursuant to this Solicitation is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <http://sfgov.org/olse/mco>. Refer to Attachment 1, City's Proposed Agreement Terms for additional details related to the application of this Ordinance to a contract awarded pursuant to this Solicitation.

E. First Source Hiring Program

A Proposer selected pursuant to this Solicitation shall comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code that apply to this Agreement and an awarded Proposer is subject to the enforcement and penalty provisions in Chapter 83. Refer to Attachment 1, City's Proposed Agreement Terms for additional details related to the application of this Ordinance to a contract awarded pursuant to this Solicitation.

F. Reserved. (Sweatfree Procurement)

G. Other Social Policy Provisions

Attachment 1, City's Proposed Agreement Terms, identifies the City's applicable social policy provisions related to a contract awarded pursuant to this Solicitation. Proposers are encouraged to carefully review these terms and ensure they are able to comply with them.

III. Local Business Enterprise (LBE) Program Requirements

A. Application of LBE Bid Discounts and Rating Bonuses

LBE Bid Discounts/Rating Bonuses shall be applicable to at each phase of the Solicitation evaluation and selection process, in accordance with the values shown below.

1. General and Professional Services

Estimated Contract Value	Small/Micro LBEs Rating Bonus	SBA LBEs Rating Bonus
Greater than \$400,000 but less than or equal to \$10,000,000.	10%	5% <i>So long as it does not adversely affect a Small or Micro-LBE Proposer or a JV with LBE Subcontracting.</i>

2. Professional Services by Joint Ventures

Estimated Contract Value	Small/Micro LBE Subcontracting Level	Rating Bonus
Greater than \$10,000 but less than or equal to \$10,000,000.	Equals or exceeds 35%, but less than 40%	5%
	Equals or exceeds 40%, but less than 100%	7.5%
	100%	10%

If applying for an LBE rating discount as a Joint Venture (JV), the Micro and /or Small-LBE must be an active partner in the JV and perform work, manage the job and take financial risks in proportion to the required level of participation stated in the Proposal, and must be responsible for a clearly defined portion of the work to be performed and share in the ownership, control, management responsibilities, risks, and profits of the JV. The portion of the Micro and/or Small-LBE JV's work shall be set forth in detail separately from the work to be performed by the non-LBE JV. The Micro and/or Small-LBE JV's portion of the contract must be assigned a commercially useful function.

B. LBE Subcontracting Requirements

1. LBE Subcontracting Participation Requirements

For Groups 1-11, the LBE Subcontracting Requirement for any Contract awarded pursuant to this Solicitation shall be 10% (ten percent) of the total value of the services procured. In order to be responsive, Proposers must meet the LBE goal for Groups 1-11. See RFP Attachment 3 and 4 for more information. Please review the City's LBE Good Faith Outreach requirements referenced in RFP Attachment 3. There are strict time-sensitive deadlines. If you have questions regarding CMD LBE requirements, please immediately contact Regina Chan at Regina.Chan@sfgov.org.

For Group 12, there shall be no LBE Subcontracting Requirement for any Contract awarded pursuant to this Solicitation.

2. LBE Subcontracting and Good Faith Outreach Forms

For Groups 1-11, because LBE Subcontracting Participation Requirements apply to Contracts awarded pursuant to this Solicitation, Proposers must submit response packages that include the following LBE Subcontracting Requirements and Good Faith Outreach Forms, which can be found in Attachment 4 of this Solicitation. The applicable forms are:

- (a) **CMD Form 2A:** LBE Subcontracting Form
- (b) **CMD Form 2B:** Good Faith Outreach Form. Proposer must obtain at least 80 points in order to achieve adequate good faith outreach. If a contractor's proposed LBE subcontracting participation exceeds the LBE Subcontracting Participation Requirement for a Resulting Contract by at least 35%, the contractor is excused from conducting or documenting its good faith efforts.
- (c) **CMD Form 3:** CMD Compliance Affidavit
- (d) **CMD Form 4:** Joint Venture Form (if applicable)
- (e) **CMD Form 5:** Employment Form

Failure to complete, sign and submit each of the required LBE Subcontracting Requirements and Good Faith Outreach Forms with Proposers' Proposals may result in the response package being deemed non-responsive and rejected.

For Group 12, although LBE Subcontracting Participation Requirements do not apply to Contracts awarded pursuant to this Solicitation, Proposers responding to this Solicitation must submit response packages that include the LBE Subcontracting Forms included in Attachment 4, *with the exception of CMD Form 2B entitled "Good Faith Outreach Form"*. The applicable forms are:

- (a) **CMD Form 2A:** LBE Subcontracting Form
- (b) **CMD Form 3:** CMD Compliance Affidavit
- (c) **CMD Form 4:** Joint Venture Form (if applicable)
- (d) **CMD Form 5:** Employment Form

Failure to complete, sign and submit each of the required LBE Subcontracting Requirements and Good Faith Outreach Forms with Proposers' Proposals may result in the response package being deemed non-responsive and rejected.

3. **CMD Compliance Officer**

The CMD Compliance Officer (CCO) for this Solicitation and any Contract awarded pursuant to this Solicitation is:

Regina Chan
Contract Monitoring Division
City and County of San Francisco
Email: Regina.Chan@sfgov.org
Website: www.sfgov.org/cmd.

4. **LBE Payment and Utilization Tracking**

If LBE Subcontracting Participation Requirements apply to a Contract awarded pursuant to this Solicitation, the Awarded Contractor shall agree to:

- (a) Within three (3) business days of City's payment of any invoice to Contractor, pay LBE subcontractors as provided under Chapter 14B.7(H)(9); and
- (b) Within ten (10) business days of City's payment of any invoice to Contractor, confirm its payment to subcontractors using the City's Supplier Portal Payment Module, unless instructed otherwise by CMD.

Failure to submit all required payment information to the City's Supplier Portal Payment Module with each payment request may result in the withholding of 20% of subsequent payments due.

Self-Service Training is located at this link:

<https://sfcitypartnersupport.sfgov.org/support/solutions/11000049605>

IV. GOODS AND SERVICES REQUESTED

A. Goods and/or Services Requested

This Solicitation is being issued by the Controller's Office. The Controller's Office is seeking Proposals from qualified firms to perform annual audits of financial statements for Groups 1 through 11 and an actuarial valuation for Group 12. Multiple contracts may be awarded at the City's sole and absolute discretion in accordance with San Francisco Administrative Code, Section 21.8.

B. General Information

1. This scope of work is a general guide to the work the City expects to be performed, and is not a complete listing of all services that may be required or desired
2. To minimize duplication of effort and to allow the City to coordinate data requests and data available for the services requested within this RFP, as well as for previous and future engagements, the selected Contractor's findings and data may be shared by the City with other City contractors, as deemed appropriate by the City.
3. The City has decided it will not structure the services requested in this RFP to be provided under a single lead audit firm. This means that the Contractor selected for

Group 1 will, in their audit opinion on the City’s general purpose financial statements, make reference to the work performed by other contracted audit firms.

4. Qualified Proposers may bid on each Group, as defined in RFP Section IV. C. Groups. Proposals should include a separate fee and hour estimate for each entity within a selected Group. The City may award multiple contracts for the services requested under this RFP. See RFP Attachment 5.
5. Each Proposer should demonstrate its capabilities by providing accurate, descriptive summaries of representative engagements (“Prior Engagement Descriptions”) as part of RFP Attachment 5.
6. For each Group, the City will negotiate the specific scope of services, budget, deliverables, and timeline with the highest-scoring Proposers selected for contract negotiations. There is no guarantee of a minimum amount of work or compensation for any Proposers selected for contract negotiations.
7. Enterprise Funds account for operations and activities, which render services on a user-charge basis to the general public.
8. Firms must be available to present plans and results of audits to Boards or Commissions at a minimum of one (1) to three (3) times per year. Some meetings may require in-person communication and in-person presentations to Boards and Commissions upon short notice as permitted by the City’s COVID-19 policies. Any in-person work conducted by the Contractor must be in compliance with the City’s Contractor Vaccination Policy.

C. Groups

The purpose of the RFP is to invite proposals from interested firms to perform annual audits of the financial statements of the reporting entities listed below (Groups 1 through 11) and to perform an actuarial valuation of the City’s workers’ compensation and general liability programs (Group 12). Note that these Groups may be reorganized or changed to comply with GASB reporting requirements or the City’s needs.

- | | |
|---------|--|
| Group 1 | Annual Comprehensive Financial Report (“ACFR”)
General City
Zuckerberg San Francisco General Hospital and Trauma Center
Laguna Honda Hospital
Single Audit
Other Funds – Treasure Island Development Authority (“TIDA”) |
| Group 2 | San Francisco Employees’ Retirement System |
| Group 3 | Office of Community Investment and Infrastructure (Successor Agency to the San Francisco Redevelopment Agency) |
| Group 4 | San Francisco Health Service System Other Employment Benefit Trust Fund |

- Group 5 City and County of San Francisco International Airport – including Schedule of Passenger Facility Charge Revenues and Expenditures, Single Audit
- Group 6 Port of San Francisco
- Group 7 San Francisco Finance Corporation
- Group 8 San Francisco Public Utilities Commission – Annual Comprehensive Financial Report (“ACFR”)
San Francisco Public Utilities Commission – San Francisco Water Enterprise
San Francisco Public Utilities Commission – San Francisco Wastewater Enterprise
San Francisco Public Utilities Commission – Hetch Hetchy Water and Power and CleanPowerSF
- Group 9 San Francisco Municipal Transportation Agency (“SFMTA”) – that includes sub-groups 9A and 9B.

9A: SFMTA Financial Audit, Single Audit, Transportation Development Act (“TDA”) Compliance Report, Agreed-Upon Procedures Report for SFMTA’s National Transit Database Report, and other Agreed-Upon Procedures as needed.

9B: Agreed-Upon Procedures Report for Revenue Bonds and for additional as-needed services requested by the City.
- Group 10 Various State of California Project Grants including Transportation Development Act Local Transportation Fund (“LTF”) Transportation Development Act Projects for Department of Public Works and MTA, and Department of Insurance (“DOI”).
- Group 11 City and County of San Francisco Retiree Health Care Trust Fund (Post-Employment Health Benefits)
- Group 12 Actuarial Valuations of City’s Workers’ Compensation and General Liability Programs

The audit contracts awarded to the selected Contractors for Groups 1-11 shall cover annual examinations of the financial statements of the entities noted above for the four fiscal years ending June 30, 2023, 2024, 2025, and 2026 , after which time the City may exercise options for renewal for the three fiscal years ending June 30, 2027, 2028, 2029.

Proposers that are awarded a contract for Groups 1-11 will automatically be added to a list of firms pre-qualified for as-needed accounting and auditing services through June 30, 2027.

D. Group 1

Group 1: Annual Comprehensive Financial Report (“ACFR”): General City, Zuckerberg San Francisco General Hospital and Trauma Center, Laguna Honda Hospital, Single Audit, Other Funds – Treasure Island Development Authority (“TIDA”)

Group 1 shall include the audit of the General City, ACFR, Single Audit, and other funds for the four fiscal years ending June 30, 2023, 2024, 2025, and 2026, after which time the City may exercise options for renewal for the three fiscal years ending June 30, 2027, 2028, and 2029.

The selected Contractor shall perform examinations of the individual financial statements of the various reporting entities of the City in accordance with generally accepted auditing standards as promulgated by the AICPA and the GASB with the objectives of expressing an opinion on the financial statements.

The selected Contractor shall perform the procedures necessary to ensure that the reporting entities may use the Contractor’s opinion on the general purpose financial statements in connection with any official statements for public debt issuance. The City and/or its independent financial reporting entities will negotiate separately any fees for services beyond the usage of the Contractor’s audit opinion.

Examinations shall comply with the requirements of the Office of Management and Budget (“OMB”) Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards, also known as the “Super Circular”, and related pronouncements relating to the Federal assistance programs listed in the City’s Schedule of Expenditures of Federal Awards. Each selected Contractor shall coordinate the planning and development of testing methods, review these methods with the Controller’s Office and, if deemed necessary by the City, review these methods with the Federal cognizant agency.

Examination of non-governmental secondary recipients is specifically excluded from this RFP. The selected Contractor shall assist the City in responding to inquiries from the Federal agencies on issues related to the audits for which they are responsible.

The selected Contractor shall perform certain agreed-upon procedures relating to the City’s calculation of its appropriation limit in accordance with Article XIII B of the California Constitution. The selected Contractor(s) shall provide a letter documenting the results of the agreed-upon procedures.

1. General City

General City refers to the City’s Governmental Funds and all Internal Service Funds except the San Francisco Finance Corporation.

2. Annual Comprehensive Financial Report

The City issues an Annual Comprehensive Financial Report (“ACFR”). The ACFR is prepared according to the financial reporting requirements of the Governmental Accounting Standards Board (“GASB”), Basic Financial Statements – and Management’s Discussion and Analysis (“MD&A”) – for State and Local Governments (“GASB”). This report is divided into three sections:

2.1 The *Introductory Section* includes information about the organizational

structure of the City, the City's economy, major initiatives, status of City services, etc.

2.2 The *Financial Section* is prepared in accordance with the GASB requirements, including MD&A, the Basic Financial Statements including notes and the Required Supplementary Information. The Basic Financial Statements include the government-wide financial statements that present an overview of the City's entire financial operations and the fund financial statements that present the financial information of each of the City's major funds, as well as non-major governmental, fiduciary and other funds. Also included in this section is the Independent Auditors' Report on the basic financial statements.

2.3 The *Statistical Section* includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers. The data includes ten-year revenue and expenditure information on an inflation-adjusted basis.

The selected Contractor shall perform an examination of the combined financial statements of the City in accordance with generally accepted auditing standards as promulgated by the AICPA with the objectives of expressing an opinion on the general purpose financial statements. The selected Contractor shall also assist the City in meeting the requirements of the Government Finance Officers Association's ("GFOA's") Certificate of Achievement for Excellence in Financial reporting program for the ACFR.

Examinations shall include those entities as set forth in the 2021 ACFR, which are required to be included in the City's financial statements in accordance with the Governmental Accounting Standards Board Section 2100 "defining the reporting entity".

The financial entities included in Groups 2-10 are included in the City's ACFR. This RFP assumes that entities in Groups 2-10 may be audited by firms other than the Contractor selected for Group 1.

Other general and background information may be obtained by reviewing the 2021 ACFR available online at

<https://sfcontroller.org/sites/default/files/Documents/CCSF%20ACFR%20FY2021.pdf>

In past years, auditors audited or reviewed all of the financial statements included in the City's ACFR and have expressed an unqualified opinion upon their respective statements. A Certificate of Achievement for Excellence in Financial Reporting has been presented to the City by the Government Finance Officers Association ("GFOA") for the ACFR. The City will submit the ACFR annually to the GFOA for purposes of evaluation.

3. Single Audit

The number of programs and thresholds are subject to change, and should be audited according to OMB updates. The [2020 Single Audit report is available online](#). The 2021 Single Audit report is not yet available.

4. Other Funds - Treasure Island Development Authority ("TIDA") Fund

TIDA is a nonprofit public benefit corporation. TIDA was authorized in accordance with the Treasure Island Conversion Act of 1997 and designated as a redevelopment agency pursuant to

Community Redevelopment Law of the State of California. TIDA is governed by seven commissioners who are appointed by the Mayor, subject to confirmation by the City's Board of Supervisors. The specific purpose of TIDA is to promote the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the property known as Naval Station Treasure Island. This non-enterprise entity is included in the City's ACFR as a discretely presented component unit.

5. Zuckerberg San Francisco General Hospital and Trauma Center and Laguna Honda Hospital

5.1 The General Hospital Medical Center Fund is an Enterprise Fund established on July 1, 1980, pursuant to the Board of Supervisors Resolution No. 865-81. The accounting and reporting system for San Francisco General Hospital Medical Center is in accordance with Government Code Section 25261 and the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10. San Francisco General Hospital Medical Center is an acute care hospital.

5.2 The Laguna Honda Hospital Fund is an Enterprise Fund established on July 1, 1983. Accounting and reporting systems are in compliance with the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10. Laguna Honda Hospital is an acute care hospital and skilled nursing facility.

E. Groups 2-10 (Various), Group 11, Group 12

Groups 2-10 include the audits of the respective entities for the four fiscal years ending June 30, 2023, 2024, 2025, and 2026, after which time the City may exercise options for renewal for the three fiscal years ending June 30, 2027, 2028, and 2029.

The selected Contractors shall perform examinations of the individual financial statements of the various reporting entities of the City in accordance with generally accepted auditing standards as promulgated by the AICPA and the GASB with the objectives of expressing an opinion on the financial statements.

Examinations shall comply with the requirements of the Office of Management and Budget (OMB) Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards, also known as the "Super Circular", and related pronouncements relating to the Federal assistance programs listed in the City's Schedule of Expenditures of Federal Awards. Each selected Contractor shall coordinate the planning and development of testing methods, review these methods with the City's other Contractors and/or the Controller's Office, and, if deemed necessary by the City, review these methods with the Federal cognizant agency. Examination of non-governmental secondary recipients is specifically excluded from this RFP.

The selected Contractors shall assist the City in responding to inquiries from the Federal agencies on issues related to the audits for which they are responsible.

The selected Contractors shall perform the procedures necessary to ensure that the reporting entities may use the Contractor's opinion on the individual financial statements in connection with any official statements for public debt issuance. The City and/or its independent financial

reporting entities will negotiate separately any fees for services beyond the usage of the Contractor's audit opinion.

The selected Contractors shall issue a Departmental Financial Statement ("DFS") on the examination of the individual financial statements. The DFS shall include the financial statements customarily associated with the related Enterprise activities. The financial statements covered by the DFS shall include such explanatory footnotes as considered necessary to disclose all material items. All reports shall be issued in accordance with the timelines developed in the City's closing schedule. Approximate key dates are listed below in Section 2.6, Timing of the Work.

1. Group 1

Note that Group 1 has been described in RFP Section D. above and is not part of this RFP Section E.

2. Group 2

San Francisco Employees' Retirement System

The City Charter provides for this defined benefit pension plan, which covers substantially all employees of the City and County of San Francisco and certain classified employees of the San Francisco Community College and Unified School Districts. This non-enterprise entity is reported in the City's ACFR as a Pension and Other Employee Benefit Trust Fund.

3. Group 3

Office of Community Investment and Infrastructure (Successor Agency to the San Francisco Redevelopment Agency)

The San Francisco Redevelopment Agency, along with all 400 redevelopment agencies in California, was dissolved on February 1, 2012, by order of the California Supreme Court in a decision issued on December 29, 2011 (*California Redevelopment Association et al. v. Ana Matosantos*). On June 27, 2012, the California Legislature passed and the Governor signed AB 1484, a bill making technical and substantive changes to AB 26, the dissolution bill that was found largely constitutional by the Supreme Court on December 29, 2011. In response to the requirements of AB 26 and AB 1484, the City and County of San Francisco has created the Office of Community Investment and Infrastructure as the Successor Agency to the San Francisco Redevelopment Agency ("Successor Agency"). Pursuant to state and local legislation, the Successor Agency is governed by two bodies, the Oversight Board of the Successor Agency and the Commission on Community Investment and Infrastructure. See <http://www.sfocii.org/> for more information.

The report issued for the OCII must include the Single Audit Report, if required by the City.

4. Group 4

San Francisco Health Service System Other Employment Benefit Trust Fund

The Health Service System was established in 1937 by City Charter and provides health care benefits to substantially all active and retired City employees and is partially funded by the City. This non-enterprise entity is reported in the City's ACFR as a Pension and Other Employee Benefit Trust Fund.

5. Group 5

City and County of San Francisco International Airport (“Airport”)

The San Francisco International Airport Fund is an Enterprise Fund authorized and established by City Charter. A five-member Airport Commission is responsible for the operation, development, and maintenance activities of the Airport. The Airport is the principal commercial service airport for the San Francisco Bay Area. The selected Contractor must include the Schedule of Passenger Facility Charge Revenues and Expenditures as part of its fiscal year-end financial statements audit and complete the financial statements audit within 120 calendar days from June 30th. The selected Contractor is also required to perform the Airport’s Single Audit for the same year-end according to the City Controller’s Single Audit schedule.

6. Group 6 Port of San Francisco (“Port”)

In 1968, the City voters approved a proposition to accept the transfer of the Harbor of San Francisco from the State of California under the terms and conditions set forth in California Statutes of 1968, Chapter 1333. An Enterprise Fund was established in 1969, under the direction of the Port Commission. A five-member Port Commission is responsible for the operation, development and maintenance of the Port.

7. Group 7 San Francisco Finance Corporation

The San Francisco Finance Corporation (“Finance Corporation”) was created in 1990 by a vote of the electorate to allow the City to lease-purchase \$20 million (plus 5% per year growth) of equipment using tax-exempt obligations. The funds of the Finance Corporation are held with a third party trustee. Although legally separate from the City, the Finance Corporation is reported as if it were part of the primary government because its sole purpose is to provide lease financing to the City. This non-enterprise entity is accounted for as an Internal Service Fund.

8. Group 8 San Francisco Public Utilities Commission (“SFPUC”)

This includes San Francisco Water Enterprise, San Francisco Wastewater Enterprise, and Hetch Hetchy Water and Power.

- 8.1 ACFR – The SFPUC issues its own separate ACFR, following the same guidelines for the City’s ACFR and submits it to GFOA annually for evaluation. See Section 2.3.2 for information regarding the City’s ACFR.
- 8.2 San Francisco Water Enterprise – This Enterprise Fund accounts for the activities of the San Francisco Water Department and is engaged in the distribution of water to the City and certain suburban areas.
- 8.3 Wastewater Enterprise – This Enterprise Fund was created after voters approved a proposition in 1976 authorizing the City to issue \$240 million in bonds for the purpose of acquiring, constructing, improving and financing improvements to the City’s municipal sewage treatment and disposal system. Effective July 1, 1996, the Clean Water Program was transferred from the Department of Public Works to the San Francisco Public Utilities Commission.

- 8.4 Hetch Hetchy Water and Power and CleanPowerSF– These Enterprise Funds account for the activities of Hetch Hetchy Water and Power and CleanPowerSF, which is engaged in the collection and conveyance of approximately 85% of the City’s water supply and in the generation and transmission of electricity.

In addition to the financial statement audits, the selected Contractor must complete a Suburban Revenue Requirement Audit, an audit of the Statement of Changes in the Balancing Account and Suburban Revenue Requirement Calculation of the San Francisco Water Department and Hetch Hetchy Project in accordance with the 2011 Settlement Agreement and Master Water Sales Contract.

9. Group 9
Municipal Transportation Agency (“MTA”)

The Municipal Transportation Agency Fund is an Enterprise Fund accounting for the activities of the San Francisco Municipal Transportation Agency (“SFMTA”). The SFMTA was established by Proposition E and passed by the City’s voters in November 1999. The SFMTA oversees the operations of and guidelines for San Francisco Municipal Railway (“MUNI”), parking and traffic, bicycling, walking and taxis.

- 9.1 MUNI was established in 1912 and is responsible for the operations of the City’s public transportation system.
- 9.2 SFMTA’s Sustainable Streets (formerly known as the Department of Parking and Traffic or “DPT”) is responsible for proposing, coordinating and implementing improvements to the City’s streets, transit, bicycles, pedestrians, and parking infrastructure. It manages 19 City-owned garages and 19 metered parking lots. Two non-profit corporations provide operational oversight to three garages, namely Japan Center, Sutter-Stockton, and Union Square. The activities of these nonprofit garages are accounted for in the parking garage fund and are required to have separate financial statements audits.
- 9.3 In March 2009, the former Taxi Commission was merged with the SFMTA, which then has assumed responsibility for taxi regulation to advance industry reforms.
- 9.4 For contextual information only: San Francisco County Transportation Authority (“Transportation Authority”) – The Transportation Authority was created in November 1989 by a vote of the electorate when they approved Proposition B under state law (California Utilities Code Section 13100 et. seq.). The Transportation Authority is responsible for administering the proceeds of the additional one-half cent sales tax in accordance with a transportation expenditure plan also approved by the voters in November 1989. The Transportation Authority is a blended component unit of the City and its activities are accounted for as a special revenue fund. The audit contract of this entity is administered separately through the Transportation Authority and is not part of the services requested in this RFP.

Proposers may include a separate fee and hour estimate for the following:

9.5 9A: MUNI Financial Audit, Single Audit, Transportation Development Act (“TDA”) Compliance Report, Agreed-Upon Procedures Report for MUNI’s National Transit Database Report, and Agreed-Upon Procedures for MUNI’s CalTrans Grants.

As part of Group 9A, in addition to the financial statement audit and Single Audit of the MTA, selected Contractor(s) will be required to complete:

9.5.1 National Transit Database (“NTD”) Report - The San Francisco Municipal Railway (“MUNI”) receives substantial operating and capital Section 9 funding from the United States Department of Transportation’s Federal Transit Administration (“FTA”). As a recipient of grant funds under the Urbanized Area Formula Program (“UAFP”), MUNI is required to submit annually an audited NTD Report. This report provides both financial and operating data, which FTA uses to allocate future UAFP funds. The NTD Report is due 120 days after fiscal year end, or October 31st.

9.5.2 Transportation Development Act (TDA) of 1971 Report – MUNI is required to submit an annual audit opinion, which states whether MUNI is in compliance with TDA regulations. This report is due to the City 120 days after fiscal year end, or October 31st.

9.5.3 Agreed-Upon Procedures Report for MUNI’s CalTrans Grants.

9.6 9B: Agreed-Upon Procedures Report for SFMTA Revenue Bond and an As-Needed Agreed-Upon Procedures Audit.

As part of Group 9B, selected Contractor(s) will be required to complete:

The Board of Directors of the SFMTA created a Bond Oversight Committee (“BOC”) on December 6, 2011). The BOC has been established to provide public oversight regarding the expenditure of bond proceeds for projects funded by the SFMTA’s revenue bonds and other forms of indebtedness to ensure that bond proceeds are being spent for authorized purposes in accordance with law. The BOC commission oversees the independent review of the disbursement and expenditure of debt proceeds of the Agency and retains outside auditors, inspectors and necessary experts to conduct such independent reviews. The audit must be completed by September 30th of each year.

10. Group 10

State of California Project Grants for DOI, LTF and TDA

Currently includes State of California Department of Insurance (“DOI”) grants and also includes Transportation Development Act Local Transportation Fund (“LTF”) and Transportation Development Act (“TDA”) Projects for Department of Public Works. However, Project Grants will not be limited to the above list if more reports become required by the State of California.

10.1 For the DOI grants, the selected Contractor shall perform an examination of the Statements of Source and Status of Cash and the related Statements of Budget and

Cumulative Expenditures of selected grants. The selected Contractor shall issue the required reports.

- 10.2 For the LTF, the selected Contractor shall perform an examination of the financial statements of the respective fund in accordance with the guidelines of the TDA – Statutes and California Code of Regulations. The selected Contractor shall issue the required reports including the Report on Compliance with Regulations Applicable to the Transportation Development Act Local Transportation Fund.
- 10.3 For the TDA Article III Projects of the Department of Public Works and SFMTA, the selected Contractor shall perform an examination of the financial statements of the respective projects in accordance with the guidelines of the TDA – Statutes and California Code of Regulations. The selected Contractor shall issue the required reports including the Report on Compliance with Regulations Applicable to the Transportation Development Act Article III Projects.

11. Group 11

City and County of San Francisco Retiree Health Care Trust Fund

Group 11 involves performing an audit to account for the City’s Post Employment Health Benefits for covered employees. This fund is currently referred as the Retiree Health Benefit Trust Fund.

12. Group 12

Actuarial Valuations of Workers’ Compensation and General Liability Programs

Group 12 involves performing an actuarial valuation of the City’s workers’ compensation and general liability programs.

The City is self-insured for workers’ compensation losses. The Department of Human Resources, Workers’ Compensation Division administers the City’s workers’ compensation program, which provides benefits on behalf of active and retired City and San Francisco Community College District (“District”) employees who are injured or become ill during the course of or as a result of their employment with the City or District. The Municipal Transportation Authority (“MTA”) is self-insured under a separate self-insurance certificate. A separate actuarial study is required for the MTA.

- 12.1 The purpose of the actuarial study is to estimate the City’s loss liabilities as of June 30th of the respective year and to estimate the expected losses and loss payments for the subsequent fiscal year. The actuarial valuation shall address the following:
1. Review the loss and allocated loss adjustment expense (“ALAE”) liabilities for the workers’ compensation program as of June 30th;
 2. Estimate the Incurred But Not Reported (“IBNR”) reserves as of June 30th; and
 3. Estimate the short-term and long-term portions of the liabilities as of June 30th.
- 12.2 The actuarial report shall include an executive summary, a glossary of actuarial terms, a discussion of the methodologies applied, and the manner in which the reserves were calculated. The reserve calculations must be in accordance with GASB Statement No. 10. The reserves shall be presented in sufficient detail to record the necessary liabilities in the City’s financial statements, including:

1. Provide reserve estimates for workers' compensation losses as of June 30th.
2. Provide reserve estimates for general liability losses as of June 30th.
3. Provide budget projections for all workers' compensation losses for payment year July 1, 2023 to June 30, 2024 (and for successive fiscal years 2025 through 2027, after which time the City may exercise options for renewal for the fiscal years ending June 30, 2027, 2028, and 2029).

12.3 The report shall include separate actuarial reports for MTA's workers compensation and for litigation liability providing:

1. An estimate of the loss and ALAE for the respective program;
2. An estimate of the IBNR reserves; and,
3. An estimate of MTA's short-term and long-term portions of the liability.

F. Management Letters (for Groups 1-11 if applicable)

In conjunction with the annual financial audits, a management letter for each reporting entity shall be prepared by the selected Contractors, as follows:

1. A management letter shall be prepared upon completion of the audit and issuance of the audit report but not later than January 15 (or other date as set by the City) of each year and shall set forth the following:
 - the findings and recommendations for improvements resulting from a survey of systems of internal control conducted as part of the examination;
 - the findings and recommendations for improvements in the accounting system that were noted during the conduct of the examination;
 - the findings for non-compliance with laws, rules, regulations and charter requirements coming to the attention of the auditor during the course of the examination;
 - any other material items coming to the attention of the auditor in the course of the examination which the auditor feels should be brought to the attention of management and the Board of Supervisors Government Audit and Oversight Committee;
 - a summary listing of all non-material items which were communicated to management;
 - a listing of the status of all management letter comments from prior letters both resolved and unresolved; and
 - management's response to the findings and recommendations noted in the letter.
2. Upon completion and issuance of the letter, the Contractor(s) shall present their findings to the Board of Supervisors Government Audit and Oversight Committee.

G. Timing of the Work

The following are approximate key dates in connection with the annual audits to be performed under this RFP. These dates apply to the work performed for Groups 1-11 where applicable. Actual dates will be set each year by the City in the master audit plan.

**City and County of San Francisco
Office of Contract Administration
Purchasing Division
City Hall, Room 430
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4685**

Agreement between the City and County of San Francisco and

Macias Gini & O'Connell LLP

This Agreement is made this First day of July, 2016, in the City and County of San Francisco, State of California, by and between Macias Gini & O'Connell LLP, 2121 N. California Blvd., Suite 750, Walnut Creek, CA 94596 ("Contractor") and City.

Recitals

WHEREAS, the Controller's Office ("Department") wishes to obtain independent auditing and accounting services to comply with City Charter 2.115 and California Government Code Sections 25250 and 25253, which require the City to have annual audits performed by independent public accounting firms for the following entities and areas:

- Group 1: The City's Comprehensive Annual Financial Report (CAFR), General City, Single Audit, and other funds
- Group 2: Employees' Retirement System (ERS)
- Group 3: Redevelopment Agency (RDA) and Financing Authority/ Successor Agency to RDA (beg. FYE 12)
- Group 7: Port of San Francisco
- Group 8: San Francisco Finance Corporation
- Group 11: Various State of California Project Grants
- Group 12: Retiree Health Benefit Trust

Appendix A Services to be Provided by Contractor

This scope of work is a general guide to the work the City expects to be performed, and is not a complete listing of all required or desired services.

1. OVERVIEW OF SERVICES

Under the City and County of San Francisco Charter (City Charter), the Controller serves as the chief fiscal officer of the City and County of San Francisco (City).

In compliance with City Charter Section 2.115 and California Government Code Sections 25250 and 25253, the City is required to have its annual financial statement audits performed by independent public accounting firms.

City Charter Section 9.117 calls for the establishment of an Audit Committee of the Board of Supervisors (Committee). The Board of Supervisors Government Audit and Oversight Committee serves as that Committee. The role of the Committee is to:

- a) Maintain a direct and separate line of communication between the Board of Supervisors and the independent auditor;
- b) Meet with the independent auditor to review the audited annual financial statement and the auditor's report on such matters as the quality and depth of management and compliance;
- c) Recommend appropriate action to be taken by the Board of Supervisors to implement recommendations contained in the audit report;
- d) Follow up, as necessary, to ensure that approved recommendations are promptly implemented; and
- e) Perform other duties as assigned by the Board of Supervisors.

Upon completion of the annual audits, the Comprehensive Annual Financial Report (CAFR) and corresponding management letters are provided to the Committee by the Controller's Office.

2. ROLES AND RESPONSIBILITIES

2.1 In performing the services provided for in this Agreement, Contractor's Liaison will be Katherine Lai or Cynthia Pon. The Controller's Office Liaison will be Carmen LeFranc or Jocelyn Quintos.

2.2 Through the services and deliverables required under this Agreement, the Contractor shall be expected to successfully meet all audit staffing, timeline, budget, and work product goals and objectives on an annual basis for the term of the Agreement. The Contractor's Liaison (Katherine Lai or Cynthia Pon) shall manage the Contractor's Team to ensure that it completes all work and obligations described in this Agreement.

2.3 The Controller's Office Liaison, in coordination with reporting entity (City department) representatives, will oversee the work of the Contractor, handle all contract administration matters and approve contract payments.

2.4 The Controller's Office Liaison, in his/her sole discretion, has the right to approve or disapprove Contractor's personnel assigned to perform the services under this Agreement at any time throughout the term of this Agreement. The City shall have the right to interview and review the qualifications of any new personnel proposed by the Contractor. Any change to Contractor's managerial (from partner through senior level) personnel must be approved in writing by the City at least fourteen (14) days in advance of assignment of such personnel by the Contractor. Such approval by the City shall not be unreasonably withheld.

2.5 The City will arrange for office space, equipment, internet access and access to the City's online financial system, as determined and approved by the City.

2.6 The City assumes that financial statements and notes will be developed by the City. The Contractor may then be asked to produce the final published financial statements.

2.7 In its sole and absolute discretion, the City will make appropriate staff available to provide assistance to the Contractor. Such assistance may include coordinating the audit field work, identifying locations of required records and documentation, preparing and/or obtaining listings of account balances/transactions, providing reasonable detailed analysis and reconciliation of various accounts being audited and other such tasks which will serve to speed the conduct of the services.

2.8 The City expects that the Contractor will use the City's online financial system to the fullest extent possible to research transactions and analyze account balances in conjunction with their audits.

2.9 The Controller's Office Audits Division may make its internal audit reports available to Contractor and will, to the extent possible, provide staff resources if, in the City's sole and absolute discretion, critical problems are identified by the Contractor, which require staff resources beyond the scope of this Agreement.

2.10 The Contractor shall serve as the City's principal auditor and make reference to the work performed by the other audit firms in their audit opinion on the City's basic financial statements.

3. SUMMARY OF SERVICE GROUPS

The Contractor shall perform annual audits of the financial statements for the following service Groups (also known as reporting entities or components) for fiscal year ending June 30, 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, and June 30, 2022.

- Group 1 The City's Comprehensive Annual Financial Report (CAFR), General City, Single Audit, and other funds
- Group 2 Employees' Retirement System
- Group 3 Successor Agency to the Redevelopment Agency and Financing Authority (Successor Agency)

- Group 7 Port of San Francisco
- Group 8 San Francisco Finance Corporation
- Group 11 Various California Project Grants
- Group 12 Retiree Health Benefit Trust

More details regarding the services specific to each Group are in subsequent sections of this Appendix.

4. ANNUAL GRANT AUDIT SERVICES

The Contractor shall provide annual grant audit services, as determined by the City, as follows:

Coordinate the planning and development of audit procedures and testing methods, review these methods with the City's other Contractors and/or the Controller's Office, and, if deemed necessary by the City, review these methods with the granting agencies. Examination of non-governmental secondary recipients is specifically excluded from this Agreement. The Contractor shall assist the City in responding to inquiries from the governmental agencies on issues related to the audits for which they are responsible.

5. ANNUAL FINANCIAL STATEMENT AUDIT SERVICES

The Contractor shall provide annual financial statement audit services, as determined by the City, for each Group covered by this Agreement as follows:

5.1 Conduct annual financial statement audit services in accordance with generally accepted auditing standards and requirements as promulgated by American Institute of Certified Public Accountants (AICPA), the Governmental Accounting Standards Board (GASB), the Single Audit Act Amendments of 1996, and the federal Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* set forth in Title 2 CFR, Subtitle A, Chapter II, Part 200 (Uniform Guidance) (if applicable), and related pronouncements with the objective of having the Contractor express an independent opinion regarding the financial position, changes in financial position and cash flows, where applicable, of the Groups (financial statements) covered by this Agreement.

5.2 Report on internal control related to the financial statements and compliance with applicable major federal programs, laws, regulations, and requirements (including Statement on Auditing Standards 115), as well as the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with the Single Audit Act Amendments of 1996, OMB Uniform Guidance (if applicable) and related governmental audit standards and pronouncements.

5.3 Ensure its examinations comply with the requirements of the Single Audit Act Amendments of 1996 and OMB Uniform Guidance (if applicable) and related pronouncements, relating to the Federal award programs listed in the City's and the Successor Agency's Schedules of Expenditures of Federal Awards.

5.4 Coordinate the planning and development of audit procedures and testing methods, review these methods with the City's other Contractors and/or the Controller's Office,

and, if deemed necessary by the City, review these methods with the Federal cognizant agency. Examination of non-governmental secondary recipients is specifically excluded from this Agreement. The Contractor shall assist the City in responding to inquiries from the Federal agencies on issues related to the audits for which they are responsible.

5.5 Review the Annual Reporting Package (ARP), if provided by the reporting entity for submission to the Controller's Office to assist in the preparation of the City's Comprehensive Annual Financial Report (CAFR).

5.6 Analyze the differences between the Generally Accepted Accounting Procedures (GAAP) basis and the budget basis of accounting and of the components of the budget basis fund equity.

5.7 Issue reports on the Employees' Retirement System, the Port of San Francisco, and the San Francisco Finance Corporation's basic financial statements based on the examination of the individual opinion units. These financial statements shall include such explanatory footnotes as considered necessary to disclose all material items. All reports shall be issued in accordance with the timelines developed in the City's closing schedule. Approximate key dates are listed below in Section 8, Timing of the Work.

5.8 Issue a report on the Successor Agency to the Redevelopment Agency's financial statements, which include the City and County of San Francisco Redevelopment Financing Authority as a blended component unit, on the examination of the Successor Agency's opinion units. The financial statements, and all related reports, shall:

- i. Include the basic financial statements;
- ii. Include explanatory footnotes as considered necessary to disclose all material items; and
- iii. Be issued in accordance with the timelines developed in the City's closing schedule, as detailed below in Section 8, Timing of the Work.

5.9 Perform certain agreed-upon procedures relating to the City's calculation of its appropriations limit in accordance with Article XIII B of the California Constitution. The Contractor shall provide a report documenting the results of the agreed-upon procedures.

5.10 Work with the Controller's Office and reporting entities covered by this Agreement to address any critical reporting issues and to review the format of the financial statements to ensure compliance with or implementation of new Governmental Accounting Standards Board Statements.

5.11 The Controller's Office and/or reporting entities may use the Contractor's opinion on the basic or on individual financial statements, as applicable, when the Contractor is not associated with the official statements for public debt issuance provided that the Controller's Office reproduces the entire document associated with the Contractor's opinion.

6. MANAGEMENT LETTERS

In conjunction with the annual financial audits, the Contractor shall prepare a management letter for Groups 1, 2, 3, 7, 8, 11, and 12 (combined), covered by this Agreement per Appendix C to this Agreement.

7. GENERAL APPROACHES TO WORK

The key element of effective audit planning is a thorough understanding of the City's operations. This includes operating environment, accounting and internal accounting control structure, and financial operations. The Contractor shall develop a detailed understanding of these elements to effectively identify the nature of significant account balances/transaction classes, assess risk, and design audit tests.

The Contractor's specific approaches to the services under this Agreement are described in Appendices C to this Agreement.

8. GROUPS

In addition to the services and approaches described in Sections 4, 5, 6 and 7, the Contractor shall provide services specified for the groups under this Agreement, as detailed below.

8.1 Group 1: The City's Comprehensive Annual Financial Report (CAFR), General City, Single Audit, and other funds

The Contractor shall perform a financial audit of the General City and other funds (SFMC and TIDA) in accordance with GAAS as promulgated by the AICPA and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States for the purpose of expressing opinions on the fair presentation of the City's opinion units, in conformity with GAAP. In addition, the Contractor shall perform certain limited procedures involving required supplementary information mandated by the Governmental Accounting Standards Board as required by GAAS.

8.1.1 General City - General City refers to the City's Governmental Funds and all Internal Service Funds except the San Francisco Finance Corporation.

8.1.2 Comprehensive Annual Financial Report (CAFR) - The CAFR shall be prepared by the City according to the financial reporting requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments (GASB 34), as amended.

This report is divided into three sections:

- *The Introductory Section* includes information about the organizational structure of the City, the City's economy, major initiatives, status of City services, and cash management.

- *The Financial Section* is prepared in accordance with the GASB 34 requirements, including MD&A, the Basic Financial Statements including notes and the other Required Supplementary Information. The Basic Financial Statements include the government-wide financial statements that present an overview of the City's entire financial operations and the fund financial statements that present the financial information of each of the City's major funds, as well as non-major governmental, proprietary and fiduciary funds. Also included in this section is the Independent Auditors' Report on the Basic Financial Statements.
- *The Statistical Section* includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers.

8.1.2.1 The Contractor shall assist the City in meeting the requirements of the Government Finance Officers Association's (GFOA's) Certificate of Achievement for Excellence in Financial reporting program for the CAFR.

8.1.2.2 The Basic Financial Statements shall include those entities as set forth in Note 1, in the 2015 CAFR, which are required to be included in the City's financial statements in accordance with the Governmental Accounting Standards Board Section 2100 "defining the reporting entity".

8.1.3 Single Audit - Examinations shall comply with the requirements of the Single Audit Act Amendments of 1996 and OMB Uniform Guidance and related pronouncements, relating to the Federal award programs listed in the City's Schedule of Expenditures of Federal Awards. The Contractor shall coordinate the planning and development of testing methods, review these methods with the Controller's Office and, if deemed necessary by the City, review these methods with the Federal cognizant agency.

8.1.4 Treasure Island Development Authority (TIDA) Fund - TIDA is a nonprofit public benefit corporation. TIDA was authorized in accordance with the Treasure Island Conversion Act of 1997 and designated as a redevelopment agency pursuant to Community Redevelopment Law of the State of California. TIDA is governed by seven commissioners who are appointed by the Mayor, subject to confirmation by the City's Board of Supervisors. The specific purpose of TIDA is to promote the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the property known as Naval Station Treasure Island. This non-enterprise entity is included in the City's Basic Financial Statements as a discretely presented component unit.

8.1.5 CAFR Report Preparation – The Contractor shall be responsible for CAFR report preparation and version control management prior to City's reproduction.

8.2 Group 2: Employees Retirement System

The City Charter provides for this single-employer defined benefit pension plan, which covers substantially all employees of the City and County of San Francisco and certain classified employees of the San Francisco Community College and Unified School Districts.

This non-enterprise entity is reported in the City's Basic Financial Statements as a Pension and Other Employee Benefit Trust Fund.

8.3 Group 3: Successor Agency to the Redevelopment Agency and Financing Authority

Successor Agency to the Redevelopment Agency of the City and County of San Francisco (The Successor Agency) – On June 28, 2011, Assembly Bill X1 26 (AB X1 26) was enacted. This legislation is referred to herein as the Redevelopment Dissolution Law. On December 29, 2011, the California Supreme Court upheld the constitutionality of AB X1 26 and all redevelopment agencies in California were dissolved by operation of law effective February 1, 2012. Based upon the nature of the Successor Agency's custodial role, the Successor Agency is reported in a fiduciary fund (private-purpose trust fund).

In addition to the audit of the basic financial statements of the Successor Agency, the report issued for the Successor Agency must include any Supplementary Information, and the Single Audit Report (if applicable).

8.4 Group 7: Port of San Francisco (Port)

In 1968, the City voters approved a proposition to accept the transfer of the Harbor of San Francisco from the State of California under the terms and conditions set forth in California Statutes of 1968, Chapter 1333. An Enterprise Fund was established in 1969, under the direction of the Port Commission. A five-member Port Commission is responsible for the operation, development and maintenance of the Port.

8.5 Group 8: San Francisco Finance Corporation

The San Francisco Finance Corporation (Finance Corporation) was created in 1990 by a vote of the electorate to allow the City to lease-purchase \$20 million (plus 5% per year growth) of equipment using tax-exempt obligations. The funds of the Finance Corporation are held with a third party trustee. Although legally separate from the City, the Finance Corporation is reported as if it were part of the primary government because its sole purpose is to provide lease financing to the City. This non-enterprise entity is accounted for as an Internal Service Fund.

8.6 Group 11: State of California Project Grants for DOI, LTF and TDA

The City and County of San Francisco receives grants from the Department of Insurance (DOI), Transportation Development Act Local Transportation Fund (LTF) and Transportation Development Act (TDA) Projects for Department of Public Works and the Municipal Transportation Agency. These grants are aimed at assisting the City and County to promote various socio-civic and government programs under the sponsorship of these government agencies.

Services shall be performed annually for each fiscal year covered by this Agreement for the City's miscellaneous grants/funds the City receives or manages, including Department of Insurance grants, Local Transportation Fund and Transportation Development Act Projects (entities covered by this Agreement). The Contractor's services shall be performed with the

objective of having the Contractor express an independent opinion regarding the financial condition and internal controls of the entities examined.

8.6.1 For the DOI grants, the Contractor shall perform an examination of the Statements of Source and Status of Cash and the related Statements of Budget and Cumulative Expenditures of the Automobile Insurance Fraud program and the Workers' Compensation Insurance Fraud Program. The Contractor shall issue the required audit reports as described in Appendices C, D, E, F, H, and I.

8.6.2 For the LTF, the Contractor shall perform an examination of the financial statements of the respective fund in accordance with the guidelines of the TDA – Statutes and California Code of Regulations. The Contractor shall issue the required reports including the Report on Compliance with Regulations Applicable to the Transportation Development Act Local Transportation Fund.

8.6.3 For the TDA Article III Projects of the Department of Public Works and the Municipal Transportation Agency, the Contractor shall perform an examination of the financial statements of the respective projects in accordance with the guidelines of the TDA – Statutes and California Code of Regulations. The Contractor shall issue the required reports including the Report on Compliance with Regulations Applicable to the Transportation Development Act Article III Projects.

8.6.4 Key Audit Procedures for Group 11

8.6.4.1 Audit Procedures for Grant Funds:

- Testing internal controls and compliance with grant requirements.
- Substantively testing grant cash receipts, and expenditures incurred.
- Reviewing whether there were expenditures incurred that should have been disallowed, in accordance with the definitions provided by the DOI.

8.6.4.2 Audit Procedures for Transportation Funds:

- Testing of compliance with the provisions of the TDA, and other applicable laws and regulations, and grant agreements.
- Substantive testing of grant receipts and disbursements for expenditures.
- Reviewing of propriety of reserved fund balances.

8.7 Group 12: Retiree Health Benefit Trust

Group 12 involves performing an audit to account for the City's Post Employment Health Benefits for covered employees. This fund is currently referred as the Retiree Health Benefit Trust Fund.

9. TIMING OF THE WORK

9.1 The Contractor shall factor in review streamlining (concurrent review) processes for the reports of the Groups under this Agreement to minimize delays and meet the key dates specified in Appendix C.

9.2 The Contractor shall ensure sufficient communications with the City to appropriately plan and schedule completion of processes and milestones to ensure key dates in Appendix C-3 are met, including document version control and word processing.

9.3 Specific key dates shall be included in engagement letters executed by Contractor and the City. Any changes to the key dates shall require advance written approval by the City.

10. AS-NEEDED AUDITING AND ACCOUNTING SERVICES

The Contractor may be requested to perform as-needed auditing and accounting services in accordance to RFP#CON2015-25, Section 2.7 As-needed Accounting and Audit-Related Services . The City will identify such projects and work with the Contractor to define the scope of tasks to be performed. The Contractor may be asked to prepare an engagement letter stating its approach to the project; the methodology that will be employed; the lead personnel and staff that will be assigned; the time it will take to perform the work by staff level; the delivery date of the project deliverables; and the estimated cost to perform the project by staff level.

The hourly staff rates specified in Appendix B will automatically be the rates used for as-needed accounting and auditing services, unless special expertise is required for which a separate fee will be negotiated.

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: CONTROLLER -- CON Dept. Code: CON

Type of Request: [x] Initial [] Modification of an existing PSC (PSC # _____)

Type of Approval: [] Expedited [x] Regular [] Omit Posting

Type of Service: Independent Audit and Actuarial Services

Funding Source: Annual Appropriation Budget PSC Duration: 8 years 8 weeks
PSC Amount: \$17,000,000 PSC Est. Start Date: 04/01/2015 PSC Est. End Date: 05/31/2023

1. Description of Work

A. Scope of Work:

Perform annual financial audit services and report on the financial statements for the City's Comprehensive Annual Financial Report (CAFR), the City's Single Audit, and departments/funds; perform other required compliance audits of grants, projects, and funds of other City departments; perform actuarial studies of the City's General Liability and Workers Compensation reserves; and perform additional audit procedures. See additional attachment for a list of departments/funds.

B. Explain why this service is necessary and the consequence of denial:

The City is required to have annual financial and compliance audits and auditing services performed by independent public accounting firms in compliance with City Charter Sections 2.115 and 9.117, and federal Single Audit contract and grant provisions. Denial would prevent the City from complying with local and federal mandates.

C. Has this service been provided in the past. If so, how? If the service was provided via a PSC, provide the most recently approved PSC # and upload a copy of the PSC.

Services have been provided through contracts with independent public accounting firms. PSC#4054-98/99 We don't have electronic files. PSC#4160-98/99 We don't have electronic files. PSC#4054-03/04 CSC approval on 12/15/2003 for 9,000,000. Attached PSC#4075-08/09 CSC approval on 01/05/2009 for 9,000,000, and admin mod 1 on 3/27/13 for total of 13,499,999. Attached

D. Will the contract(s) be renewed? Yes. If the Controller's Office is satisfied up to 7 years

2. Union Notification: On 02/24/2014, the Department notified the following employee organizations of this PSC/RFP request: Professional & Tech Engrs, Local 21, Prof & Tech Eng, Local 21, Management & Superv Local 21,

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 45651 - 13/14

DHR Analysis/Recommendation:

04/21/2014

Commission Approval Required

DHR Approved for 04/21/2014

Approved by Civil Service Commission with
Page 005 Conditions

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise:

Certified Public Accountants that has successfully provided Independent Audit Services to at least three (3) cities and/or counties, at least two (2) of which are located in California within the last five (5) years of the date of this Request for Proposals (RFP). Lead staff proposed to be assigned to the City's project(s) must individually have had a similar lead role on the two (2) California engagements in California. See Attachment for more details.

B. Which, if any, civil service class(es) normally perform(s) this work?
1686,1684,

C. Will contractor provide facilities and/or equipment not currently possessed by the City? If yes, explain:
No.

4. Why Classified Civil Service Cannot Perform

A. Explain why civil service classes are not applicable:

Per federal and local regulations, the work must be performed by independent Certified Public Accountants.

B. Would it be practical to adopt a new civil service class to perform this work? Explain.
No. The work requires the services of independent Certified Public Accountants.

5. Additional Information (if "yes", attach explanation)

YES NO

- | | | |
|--|-------------------------------------|-------------------------------------|
| A. Will the contractor directly supervise City and County employee? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. Will the contractor train City and County employee? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| C. Are there legal mandates requiring the use of contractual services?
City Charter Sections 2.115 and 9.117 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| D. Are there federal or state grant requirements regarding the use of contractual services? City Charter Sections 2.115 and 9.117 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E. Has a board or commission determined that contracting is the most effective way to provide this service? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? Current contractor can reapply. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

THE ABOVE INFORMATION IS SUBMITTED AS COMPLETE AND ACCURATE ON BEHALF OF THE DEPARTMENT HEAD ON 03/31/2014 BY:

Name: Mary Hom Phone: 415-554-7536 Email: mary.hom@sfgov.org

Address: City Hall Room 306 San Francisco, CA

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: CONTROLLER Dept. Code: CON

Type of Request: [] Initial [x] Modification of an existing PSC (PSC # 45651 - 13/14)

Type of Approval: [] Expedited [] Regular ([] Omit Posting)

Type of Service: Independent Audit and Actuarial Services

Funding Source: Annual Appropriation Budget

PSC Original Approved Amount: \$17,000,000 PSC Original Approved Duration: 04/01/15 - 05/31/23 (8 years 8 we
PSC Mod#1 Amount: no amount added PSC Mod#1 Duration: 04/01/20-03/31/25 (1 year 43 weeks)
PSC Mod#2 Amount: PSC Mod#2 Duration:
PSC Cumulative Amount Proposed: \$17,000,000 PSC Cumulative Duration Proposed: 10 years 2 days

1. Description of Work

A. Scope of Work:

Perform annual financial audit services and report on the financial statements for the City's Comprehensive Annual Financial Report (CAFR), the City's Single Audit, and departments/funds; perform other required compliance audits of grants, projects, and funds of other City departments; perform actuarial studies of the City's General Liability and Workers Compensation reserves; and perform additional audit procedures. See additional attachment for a list of departments/funds.

B. Explain why this service is necessary and the consequence of denial:

The City is required to have annual financial and compliance audits and auditing services performed by independent public accounting firms in compliance with City Charter Sections 2.115 and 9.117, and federal Single Audit contract and grant provisions. Denial would prevent the City from complying with local and federal mandates.

C. Has this service been provided in the past. If so, how? If the service was provided via a PSC, provide the most recently approved PSC # and upload a copy of the PSC.

Yes, PSC45651-13-14 & PSC4075-08-09

D. Will the contract(s) be renewed? Yes. If the Controller's Office is satisfied up to 7 years

2. Union Notification: On 06/11/15, the Department notified the following employee organizations of this PSC/RFP request: Professional & Tech Engrs, Local 21; Prof & Tech Eng, Local 21; Management & Superv Local 21;

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 45651 - 13/14

DHR Analysis/Recommendation:

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise:

Certified Public Accountants that has successfully provided Independent Audit Services to at least three (3) cities and/or counties, at least two (2) of which are located in California within the last five (5) years of the date of this Request for Proposals (RFP). Lead staff proposed to be assigned to the City's project(s) must individually have had a similar lead role on the two (2) California engagements in California. See Attachment for more details.

B. Which, if any, civil service class(es) normally perform(s) this work?

1686, 1684,

C. Will contractor provide facilities and/or equipment not currently possessed by the City? If yes, explain:

No.

4. Why Classified Civil Service Cannot Perform

A. Explain why civil service classes are not applicable:

Per federal and local regulations, the work must be performed by independent Certified Public Accountants.

B. Would it be practical to adopt a new civil service class to perform this work? Explain.

No. The work requires the services of independent Certified Public Accountants.

5. Additional Information (if "yes", attach explanation)

YES NO

- | | | |
|--|-------------------------------------|-------------------------------------|
| A. Will the contractor directly supervise City and County employee? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. Will the contractor train City and County employee? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| C. Are there legal mandates requiring the use of contractual services?
City Charter Sections 2.115 and 9.117 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| D. Are there federal or state grant requirements regarding the use of
contractual services? City Charter Sections 2.115 and 9.117 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E. Has a board or commission determined that contracting is the most effective
way to provide this service? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| F. Will the proposed work be completed by a contractor that has a current PSC
contract with your department? Existing contractors may apply to new solicitation | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

THE ABOVE INFORMATION IS SUBMITTED AS COMPLETE AND ACCURATE ON BEHALF OF THE DEPARTMENT HEAD
ON 06/11/15 BY:

Name: Mary Hom Phone: 415-554-7536 Email: mary.hom@sfgov.org

Address: City Hall Room 306 San Francisco, CA

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: CONTROLLERDept. Code: CON

Type of Request: Initial Modification of an existing PSC (PSC # 45651 - 13/14)

Type of Approval: Expedited Regular Annual Continuing (Omit Posting)

Type of Service: Independent Audit and Actuarial ServicesFunding Source: Annual Appropriation BudgetPSC Original Approved Amount: \$17,000,000PSC Original Approved Duration: 04/01/15 - 05/31/23 (8 years 8 weeks)PSC Mod#1 Amount: no amount addedPSC Mod#1 Duration: 04/01/20-03/31/25 (1 year 43 weeks)PSC Mod#2 Amount: \$8,000,000PSC Mod#2 Duration: no duration addedPSC Cumulative Amount Proposed: \$25,000,000PSC Cumulative Duration Proposed: 10 years 2 days**1. Description of Work****A. Scope of Work/Services to be Contracted Out:**

Perform annual financial audit services and report on the financial statements for the City's Comprehensive Annual Financial Report (CAFR), the City's Single Audit, and departments/funds; perform other required compliance audits of grants, projects, and funds of other City departments; perform actuarial studies of the City's General Liability and Workers Compensation reserves; and perform additional audit procedures. See additional attachment for a list of departments/funds.

B. Explain why this service is necessary and the consequence of denial:

The City is required to have annual financial and compliance audits and auditing services performed by independent public accounting firms in compliance with City Charter Sections 2.115 and 9.117, and federal Single Audit contract and grant provisions. Denial would prevent the City from complying with local and federal mandates.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Yes, through 4 contractors.

D. Will the contract(s) be renewed?

Yes. If the Controller's Office is satisfied up to 7 years

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why:

The anticipated contract term is 4 years, plus option to extend for total of 7 years.

2. Reason(s) for the Request**A. Display all that apply**

Circumstances where there is a demonstrable potential conflict of interest (e.g., independent appraisals, audits, inspections, third party reviews and evaluations).

Explain the qualifying circumstances:

Independent auditors are required that cannot be done by City staff.

B. Reason for the request for modification:

Modification is needed to increase the PSC amount by \$8 million due to unanticipated fee increases by contractors. No modification to contract term.

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise: Certified Public Accountants that has successfully provided Independent Audit Services to at least three (3) cities and/or counties, at least two (2) of which are located in California within the last five (5) years of the date of this Request for Proposals (RFP). Lead staff proposed to be assigned to the City's project(s) must individually have had a similar lead role on the two (2) California engagements in California. See Attachment for more details.

B. Which, if any, civil service class(es) normally perform(s) this work? 1684, Auditor II; 1686, Auditor III;

C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

1680, 1684, and 1686 perform similar duties; however, per federal and local regulations, the work must be performed by independent Certified Public Accountants.

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

A. Explain why civil service classes are not applicable.

Per federal and local regulations, the work must be performed by independent Certified Public Accountants.

B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain: No. The work requires the services of independent Certified Public Accountants.

6. Additional Information

A. Will the contractor directly supervise City and County employee? If so, please include an explanation.

No.

B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contract? If so, please explain what that will entail; if not, explain why not.

No training because need independent auditors for this type of audit work.

C. Are there legal mandates requiring the use of contractual services?
City Charter Sections 2.115 and 9.117

D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
City Charter Sections 2.115 and 9.117

E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.

F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
Existing contractors may apply to new solicitation

7. **Union Notification:** On 01/10/16, the Department notified the following employee organizations of this PSC/RFP request:
Professional & Tech Engrs, Local 21; Prof & Tech Eng, Local 21; Management & Superv Local 21;
Professional & Tech Engrs, Local 21; Prof & Tech Eng, Local 21; Management & Superv Local 21;

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Joyce Kimotsuki Phone: (415) 554-6562 Email: joyce.kimotsuki@sfgov.org

Address: City Hall Room 306, San Francisco, CA 94102

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 45651 - 13/14

DHR Analysis/Recommendation:

Commission Approval Not Required

Approved by DHR on 02/04/2016

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: CONTROLLERDept. Code: CON

Type of Request: Initial Modification of an existing PSC (PSC # 45651 - 13/14)

Type of Approval: Expedited Regular Annual Continuing (Omit Posting)

Type of Service: Independent Audit and Actuarial ServicesFunding Source: Annual Appropriation BudgetPSC Original Approved Amount: \$17,000,000PSC Original Approved Duration: 04/01/15 - 05/31/23 (8 years 8 weeks)PSC Mod#1 Amount: no amount addedPSC Mod#1 Duration: 04/01/20-03/31/25 (1 year 43 weeks)PSC Mod#2 Amount: \$8,000,000PSC Mod#2 Duration: no duration addedPSC Mod#3 Amount: \$498,000PSC Mod#3 Duration: 02/17/21-03/31/27 (2 years)PSC Cumulative Amount Proposed: \$25,498,000PSC Cumulative Duration Proposed: 12 years 2 days**1. Description of Work****A. Scope of Work/Services to be Contracted Out:**

Perform annual financial audit services and report on the financial statements for the City's Comprehensive Annual Financial Report (CAFR), the City's Single Audit, and departments/funds; perform other required compliance audits of grants, projects, and funds of other City departments; perform actuarial studies of the City's General Liability and Workers Compensation reserves; and perform additional audit procedures. See additional attachment for a list of departments/funds.

B. Explain why this service is necessary and the consequence of denial:

The City is required to have annual financial and compliance audits and auditing services performed by independent public accounting firms in compliance with City Charter Sections 2.115 and 9.117, and federal Single Audit contract and grant provisions. Denial would prevent the City from complying with local and federal mandates.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Yes, PSC45651-13-14 & PSC4075-08-09

D. Will the contract(s) be renewed?

Yes. If the Controller's Office is satisfied up to 7 years

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why:

The anticipated contract term is 4 years, plus option to extend for total of 7 years.

2. Reason(s) for the Request**A. Display all that apply**

Circumstances where there is a demonstrable potential conflict of interest (e.g., independent appraisals, audits, inspections, third party reviews and evaluations).

Explain the qualifying circumstances:

Independent auditors are required that cannot be done by City staff.

B. Reason for the request for modification:

Modification is needed to extend the PSC by 2 years to 3/31/2027 and to increase the PSC amount by \$498,000 to address work needed to comply with unanticipated new government accounting legislation. Cumulative time and amount increase is less than 50% of original PSC.

3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: Certified Public Accountants that has successfully provided Independent Audit Services to at least three (3) cities and/or counties, at least two (2) of which are located in California within the last five (5) years of the date of this Request for Proposals (RFP). Lead staff proposed to be assigned to the City's project(s) must individually have had a similar lead role on the two (2) California engagements in California. See Attachment for more details.
- B. Which, if any, civil service class(es) normally perform(s) this work? 1684, Auditor II; 1686, Auditor III;
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

Not Applicable

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
Per federal and local regulations, the work must be performed by independent Certified Public Accountants.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain: No. The work requires the services of independent Certified Public Accountants.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No training because need independent auditors for this type of audit work.

- C. Are there legal mandates requiring the use of contractual services?
City Charter Sections 2.115 and 9.117
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
City Charter Sections 2.115 and 9.117
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
Existing contractors may apply to new solicitation

7. Union Notification: On 02/17/21, the Department notified the following employee organizations of this PSC/RFP request:
Professional & Tech Engrs, Local 21; Prof & Tech Eng, Local 21; Management & Superv Local 21;

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Joyce Kimotsuki Phone: (415) 554-6562 Email: joyce.kimotsuki@sfgov.org

Address: City Hall Room 306, San Francisco, CA 94102

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 45651 - 13/14

DHR Analysis/Recommendation:

Commission Approval Not Required

Approved by DHR on 03/01/2021

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: HUMAN RESOURCES -- HRD

Dept. Code: HRD

Type of Request: Initial Modification of an existing PSC (PSC # _____)

Type of Approval: Expedited Regular Annual Continuing (Omit Posting)

Type of Service: Development and Administration for Q050, Q060, Q080, H020, H030, H040 and H050 Exam

Funding Source: General Fund and Work Order

PSC Amount: \$925,000 PSC Est. Start Date: 01/01/2023 PSC Est. End Date 12/31/2026

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

Provide expert test development consultation for the Q050 Police Sergeant, Q060 Police Lieutenant, Q080 Police Captain, H020 Fire Lieutenant, H030 Fire Captain, H040 Battalion Chief, and H050 Assistant Chief, selection process and defend that selection process, and if necessary, be available to provide testimony, preparation, and consultation against legal challenges.

B. Explain why this service is necessary and the consequence of denial:

This service is necessary because Police and Fire Department selection processes have historically been litigious. The value of the contractor is its ability to provide specialized statistical analysis and mitigate the risk of protests and litigation. The consultant will provide expert guidance and defend the City in the event of litigation. Denial of this PSC would impair the City's ability to defend the selection process in the event of litigation.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Similar services were approved in 2019.

D. Will the contract(s) be renewed?

At the moment, there is no plans to renew the contracts.

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why.

not applicable

2. Reason(s) for the Request

A. Indicate all that apply (be specific and attach any relevant supporting documents):

Short-term or capital projects requiring diverse skills, expertise and/or knowledge.

Services required on an as-needed, intermittent, or periodic basis (e.g., peaks in workload).

B. Explain the qualifying circumstances:

The City lacks staff with the credentials required to provide expert testimony in court.

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise: Contractor must have extensive and current knowledge of psychometrics and statistical analysis, and experience providing depositions and testifying as an expert witness in State and Federal courts.

B. Which, if any, civil service class(es) normally perform(s) this work? 1241, Personnel Analyst; 1244, Senior Personnel Analyst; 1246, Principal Personnel Analyst; 0931, Manager III; 1241, Human Resources Analyst; 1244, Senior Human Resources Analyst; 1246, Principal Human Resources Analyst;

C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

DHR is unable to provide the services because staff do not have the level of expertise required.

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

A. Explain why civil service classes are not applicable.

Civil service classes are not applicable because staff do not have the credentials to provide expert testimony in court.

B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain. It would not be practical to adopt a new civil service class because human resource analysts perform the majority of tasks related to development and administration of the selection process.

6. Additional Information

A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.

B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No. There will be no formalized training. However, there will be a transfer of knowledge by working with the consultant.

C. Are there legal mandates requiring the use of contractual services?
No.

D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.

E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.

F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
No.

7. Union Notification: On 01/10/2023, the Department notified the following employee organizations of this PSC/RFP request:
Architect & Engineers, Local 21; Management & Superv Local 21; Municipal Executive Association; Prof & Tech Eng, Local 21; Professional & Tech Engrs, Local 21; Professional & Tech Engrs, SFAPP

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Mike Cotter Phone: Email: Mike.Cotter@sfgov.org

Address: 1 South Van Ness Ave., 4th Floor San Francisco, CA 94103

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 40405 - 22/23

DHR Analysis/Recommendation:

Civil Service Commission Action:

Commission Approval Required

DHR Approved for 03/06/2023

Receipt of Union Notification(s)

Choi, Suzanne (HRD)

From: dhr-psccordinator@sfgov.org on behalf of Mike.Cotter@sfgov.org
Sent: Tuesday, January 10, 2023 10:48 AM
To: Cotter, Mike (HRD); amakayan@ifpte21.org; Laxamana, Junko (DBI); Criss@sfmea.com; camaguey@sfmea.com (contact); christina@sfmea.com; staff@sfmea.com; ecassidy@ifpte21.com; WendyWong26@yahoo.com; wendywong26@yahoo.com; tmathews@ifpte21.org; kschumacher@ifpte21.org; kpage@ifpte21.org; eerbach@ifpte21.org; l21pscreview@ifpte21.org; Choi, Suzanne (HRD); DHR-PSCCoordinator, DHR (HRD)
Subject: Receipt of Notice for new PCS over \$100K PSC # 40405 - 22/23

Follow Up Flag: Follow up
Flag Status: Flagged

RECEIPT for Union Notification for PSC 40405 - 22/23 more than \$100k

The HUMAN RESOURCES -- HRD has submitted a request for a Personal Services Contract (PSC) 40405 - 22/23 for \$925,000 for Initial Request services for the period 01/01/2023 – 12/31/2026. Notification of 30 days (60 days for SEIU) is required.

After logging into the system please select link below, view the information and verify receipt:

<http://apps.sfgov.org/dhrdrupal/node/19594> For union notification, please see the TO: field of the email to verify receipt. If you do not see all the unions you intended to contact, the PSC Coordinator must change the state back to NOT READY, make sure the classes and unions you want to notify are selected and SAVE. Then VIEW the record and verify the list of unions and emails. EDIT the document again , change the state back START UNION NOTIFICATION and SAVE. You should receive the email with all unions to the TO: field as intended

Additional Attachment(s)

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: HUMAN RESOURCES -- HRD

Dept. Code: HRD

Type of Request: Initial Modification of an existing PSC (PSC # _____)

Type of Approval: Expedited Regular Annual Continuing (Omit Posting)

Type of Service: Development and Administration for Q050 Police Sergeant Exam

Funding Source: General Fund and Work Order

PSC Amount: \$190,000

PSC Est. Start Date: 10/01/2019

PSC Est. End Date 12/31/2022

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

Provide expert test development consultation for the Q050 Police Sergeant selection process and defend that selection process against legal challenge as necessary.

B. Explain why this service is necessary and the consequence of denial:

This service is necessary because Police Department selection processes have historically been litigious. The consultant will provide expert guidance and defend the City in the event of litigation.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

A similar service was approved in 2015.

D. Will the contract(s) be renewed?

No.

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why.

not applicable

2. Reason(s) for the Request

A. Indicate all that apply (be specific and attach any relevant supporting documents):

Services that require resources that the City lacks (e.g., office space, facilities or equipment with an operator).

B. Explain the qualifying circumstances:

The City lacks staff with the credentials required to provide expert testimony in court.

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise: Contractor must have extensive and current knowledge of psychometrics and statistical analysis, and experience providing depositions and testifying as an expert witness in State and Federal courts.

B. Which, if any, civil service class(es) normally perform(s) this work? 1241, Personnel Analyst; 1244, Senior Personnel Analyst; 1246, Principal Personnel Analyst; 0931, Manager III; 1241, Human Resources Analyst; 1244, Senior Human Resources Analyst; 1246, Principal Human Resources Analyst;

C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

DHR is unable to provide the services because staff do not have the level of expertise required.

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

A. Explain why civil service classes are not applicable.

Civil service classes are not applicable because staff do not have the credentials to provide expert testimony in court.

B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain. It would not be practical to adopt a new civil service class because human resource analysts perform the majority of tasks related to development and administration of the selection process.

6. Additional Information

A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.

B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No. There will be no formalized training. However, there will be a transfer of knowledge by working with the consultant.

C. Are there legal mandates requiring the use of contractual services?
No.

D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.

E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.

F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
Yes. Ergometrics currently has a contract that expires June 30,2019.

7. Union Notification: On 12/27/2018, the Department notified the following employee organizations of this PSC/RFP request:
Architect & Engineers, Local 21; Municipal Executive Association

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Kate Howard Phone: 415-557-4944 Email: kate.howard@sfgov.org

Address: 1 South Van Ness Avenue, 4th Floor San Francisco, CA 94103

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 46105 - 18/19

DHR Analysis/Recommendation:

action date: 03/04/2019

Commission Approval Required

Approved by Civil Service Commission

03/04/2019 DHR Approved for 03/04/2019

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: JUVENILE PROBATION -- JUV

Dept. Code: JUV

Type of Request: Initial Modification of an existing PSC (PSC # _____)

Type of Approval: Expedited Regular Annual Continuing
(Omit Posting)

Type of Service: Temporary As-Needed Unarmed Security Guard Services

Funding Source: General Fund

PSC Amount: \$2,500,000

PSC Est. Start Date: 03/01/2023

PSC Est. End Date
02/29/2028

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

As-needed temporary security guard services for the San Francisco Juvenile Probation Department's (JUV) Log Cabin Ranch (LCR) in La Honda, San Mateo County. Unarmed security guards are needed 24/7 to patrol the premises and watch for unusual activity and to monitor all entrances and exits of the remote property.

B. Explain why this service is necessary and the consequence of denial:

Security services are critical for the protection of City property to ensure no unidentified persons have access to the unoccupied ranch; City assets are protected from theft and pilfering; no squatters unlawfully occupy any uninhabited buildings on the property; and that the ranch remains safe for employees who continue to perform necessary maintenance services while a Master Plan is being developed to determine the fate of the Ranch.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Yes, please refer to PSC 38161-22/23.

D. Will the contract(s) be renewed?

Yes, as long as services are needed. All procurement will be managed by the Office of Contract Administration (OCA).

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why.

Not applicable

2. Reason(s) for the Request

A. Indicate all that apply (be specific and attach any relevant supporting documents):

Services required on an as-needed, intermittent, or periodic basis (e.g., peaks in workload).

B. Explain the qualifying circumstances:

In July 2018, immediately needed security services were requested at Log Cabin Ranch within a week of closing the property. The Department could not procure its own contract that quickly, especially for guard services for an unknown duration of time. The Ranch is in a transitional situation while the Mayor and Board of Supervisors decide on the direction it will take. Services are temporary and as-needed, which could end unexpectedly.

3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: Contractor must be in compliance with all requirements under State of California Business and Professions Code Private Security Services, and currently be licensed with the State of California, Department of Consumer Affairs, Bureau of Security and Investigative Services (BSIS) (Private Patrol Operator's license). Contractor must be trained in patrol techniques, report writing, communication, access control, loss prevention, and conflict resolution.
- B. Which, if any, civil service class(es) normally perform(s) this work? 8202, Security Guard; 8304, Deputy Sheriff;
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

JUV is currently using a short-term requisition for security services set up by the City (OCA), which expires on 2/28/23. The City (OCA) is currently working on establishing a fresh contract for security services at lower negotiated rates with an approved City contractor. Once that contract is executed, we will be to switching to it to continue with security services at the LCR site (projected start date of 3/1/23).

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
Civil service classes are applicable, but when Juvenile Probation Department requested security services at Log Cabin Ranch on July 1, 2018, the services were deemed emergent, temporary and as-needed. Since that time, services are still needed, albeit for an unknown period of time, until a decision on the future of the Ranch is made by the City officials.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain. No, there are already existing classifications which perform this type of work.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No. Training is not applicable to scope needs.

- C. Are there legal mandates requiring the use of contractual services?
No.
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
No.

7. Union Notification: On 12/02/2022, the Department notified the following employee organizations of this PSC/RFP request:
Deputy Sheriff's Association; SEIU 1021 Miscellaneous

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Elisa Baeza Phone: 4157537526 Email: elisa.baeza@sfgov.org

Address: 375 Woodside Ave San Francisco, CA 94103

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 41474 - 22/23

DHR Analysis/Recommendation:

Civil Service Commission Action:

Commission Approval Required

DHR Approved for 03/06/2023

Receipt of Union Notification(s)

From: dhr-psccordinator@sfgov.org on behalf of elisa.baeza@sfgov.org
To: [Baeza, Elisa \(JUV\)](mailto:Baeza, Elisa (JUV)); Najuawanda Daniels; Jason Klumb; [Frigault, Noah \(HRC\)](mailto:Frigault, Noah (HRC)); Julie.Meyers@sfgov.org; Thomas Vitale; Ricardo.lopez@sfgov.org; Kbasconillo@sfgwater.org; pcamarillo_seiu@sbcglobal.net; Wendy Frigillana; pscreview@seiu1021.org; ted.zarzecki@seiu1021.net; davidmkersten@gmail.com; xiumin.li@seiu1021.org; Sin.Yee.Poon@sfgov.org; david.canham@seiu1021.org; jtanner940@aol.com; president@sanfranciscodsa.com; kennethlomba@gmail.com; ecdemvoter@aol.com; [Baeza, Elisa \(JUV\)](mailto:Baeza, Elisa (JUV)); [DHR-PSCCoordinator, DHR \(HRD\)](mailto:DHR-PSCCoordinator, DHR (HRD))
Subject: Receipt of Notice for new PCS over \$100K PSC # 41474 - 22/23
Date: Friday, December 2, 2022 2:29:51 PM

RECEIPT for Union Notification for PSC 41474 - 22/23 more than \$100k

The JUVENILE PROBATION -- JUV has submitted a request for a Personal Services Contract (PSC) 41474 - 22/23 for \$2,500,000 for Initial Request services for the period 03/01/2023 – 02/29/2028. Notification of 30 days (60 days for SEIU) is required.

After logging into the system please select link below, view the information and verify receipt:

<http://apps.sfgov.org/dhrdrupal/node/19514> For union notification, please see the TO: field of the email to verify receipt. If you do not see all the unions you intended to contact, the PSC Coordinator must change the state back to NOT

READY, make sure the classes and unions you want to notify are selected and SAVE. Then VIEW the record and verify the list of unions and emails. EDIT the document again , change the state back START UNION NOTIFICATION and SAVE. You should receive the email with all unions to the TO: field as intended

Additional Attachment(s)

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: JUVENILE PROBATION -- JUV

Dept. Code: JUV

Type of Request: Initial Modification of an existing PSC (PSC # _____)

Type of Approval: Expedited Regular Annual Continuing (Omit Posting)

Type of Service: Temporary As-needed Unarmed Security Guard Services

Funding Source: General Fund

PSC Amount: \$99,999

PSC Est. Start Date: 12/01/2022

PSC Est. End Date
11/30/2027

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

To provide as-needed temporary security guard services for the San Francisco Juvenile Probation Department's (JUV) Log Cabin Ranch (LCR) in La Honda, San Mateo County. Unarmed security guards are needed 24/7 to patrol the premises and watch for unusual activity and to monitor all entrances and exits of the remote property.

B. Explain why this service is necessary and the consequence of denial:

Security services are critical for the protection of City property to ensure no unidentified persons have access to the unoccupied ranch; City assets are protected from theft and pilfering; no squatters unlawfully occupy any uninhabited buildings on the property; and that the ranch remains safe for employees who continue to perform necessary maintenance services while a Master Plan is being developed to determine the fate of the Ranch.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Yes, please refer to PSC# 44989-18/19 for reference.

D. Will the contract(s) be renewed?

Yes, as long as services are needed. All procurement will be managed by the Office of Contract Administration (OCA).

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why.

N/A

2. Reason(s) for the Request

A. Indicate all that apply (be specific and attach any relevant supporting documents):

Services required on an as-needed, intermittent, or periodic basis (e.g., peaks in workload).

B. Explain the qualifying circumstances:

In July 2018, immediately needed security services were requested at Log Cabin Ranch within a week of closing the property. The Department could not procure its own contract that quickly, especially for guard services for an unknown duration of time. The Ranch is in a transitional situation while the Mayor and Board of Supervisors decide on the direction it will take. Services are temporary and as-needed, which could end unexpectedly.

3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: Contractor must be in compliance with all requirements under State of California Business and Professions Code Private Security Services, and currently be licensed with the State of California, Department of Consumer Affairs, Bureau of Security and Investigative Services (BSIS) (Private Patrol Operator's license). Contractor must be trained in patrol techniques, report writing, communication, access control, loss prevention, and conflict resolution.
- B. Which, if any, civil service class(es) normally perform(s) this work? 8202, Security Guard; 8304, Deputy Sheriff;
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

JUV is currently using a City Term contract 1000001634 to obtain services, at lower negotiated rates with an approved City contractor. This term contract has since run out of funds and cannot continue to cover our needs, and we are now required to reprocur this service. The City (OCA) is currently working on establishing a fresh contract for security services, to which we will move once the contract is executed.

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
Civil service classes are applicable, but when Juvenile Probation Department requested security services at Log Cabin Ranch on July 1, 2018, the services were deemed emergent, temporary and as-needed. Since that time, services are still needed, albeit for an unknown period of time, until a decision on the future of the Ranch is made by the City officials.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain. No, there are already existing classifications which perform this type of work.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No. There is no training of employees involved in security services at Log Cabin Ranch.

- C. Are there legal mandates requiring the use of contractual services?
No.
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
No.

7. Union Notification: On 11/01/2022, the Department notified the following employee organizations of this PSC/RFP request:
Deputy Sheriff's Association; SEIU 1021 Miscellaneous

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Elisa Baeza Phone: 4157537526 Email: elisa.baeza@sfgov.org

Address: 375 Woodside Ave San Francisco, CA

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 38161 - 22/23

DHR Analysis/Recommendation:

Commission Approval Not Required

Approved by DHR on 11/16/2022

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: MUNICIPAL TRANSPORTATION AGENCY -- MTA

Dept. Code: MTA

Type of Request: Initial Modification of an existing PSC (PSC # _____)

Type of Approval: Expedited Regular Annual Continuing (Omit Posting)

Type of Service: Software development services for Daktronics subway signs

Funding Source: Federal Funds

PSC Duration: 2 years

PSC Amount: \$500,000

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

Design and software development to support changes to sign software to support transit service in both subways including new shuttle lines and enhanced passenger information.

Troubleshooting existing issues with the sign hardware and software.

B. Explain why this service is necessary and the consequence of denial:

Denial of this service will cause incorrect passenger information to be displayed either because technical issues cannot be resolved or because transit service changes will not be supported by the signs.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

These services were provided in the past by a subcontractor to a general construction contractor. The general contractor was responsible for the delivery of an integrated subway sign, including hardware and software, in 2017. Since the software development work was subcontracted to a construction contractor, approval by the Civil Service Commission was not relevant. The agency does not have a contractual relationship with the vendor at this time.

D. Will the contract(s) be renewed?

No

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why.
not applicable

2. Reason(s) for the Request

A. Indicate all that apply (be specific and attach any relevant supporting documents):

Services required on an as-needed, intermittent, or periodic basis (e.g., peaks in workload).

B. Explain the qualifying circumstances:

Changes will be needed intermittently to address technical issues or service changes that impact the sign hardware and software.

3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: Specialty programming of a vendor's sole source technology and intellectual property.
- B. Which, if any, civil service class(es) normally perform(s) this work? 1043, IS Engineer-Senior; 1044, IS Engineer-Principal;
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: No

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

None. No city resources can modify the vendor's intellectual property.

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
No city resources can modify the vendor's intellectual property.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain. No city resources can modify the vendor's intellectual property.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No. City engineers managing the integration of several systems (including this one) will be providing training to SFMTA's transit operations impacted by this technology.
- C. Are there legal mandates requiring the use of contractual services?
No.
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
No.

**7. Union Notification: On 01/10/2023, the Department notified the following employee organizations of this PSC/RFP request:
Prof & Tech Eng, Local 21**

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Amy NUQUE Phone: 415-646-2802 Email: amy.nuque@sfmta.com

Address: 1 South Van Ness, 6th Floor San Francisco, CA 94103

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 47382 - 22/23

DHR Analysis/Recommendation:

Civil Service Commission Action:

Commission Approval Required

DHR Approved for 03/06/2023

Receipt of Union Notification(s)

Nuque, Amy

From: dhr-psccoordinator@sfgov.org on behalf of amy.nuque@sfmta.com
Sent: Tuesday, January 10, 2023 2:56 PM
To: Nuque, Amy; WendyWong26@yahoo.com; wendywong26@yaho.com; tmathews@ifpte21.org; kschumacher@ifpte21.org; amakayan@ifpte21.org; L21PSCReview@ifpte21.org; Nuque, Amy; dhr-psccoordinator@sfgov.org
Subject: Receipt of Notice for new PCS over \$100K PSC # 47382 - 22/23

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

RECEIPT for Union Notification for PSC 47382 - 22/23 more than \$100k

The MUNICIPAL TRANSPORTATION AGENCY -- MTA has submitted a request for a Personal Services Contract (PSC) 47382 - 22/23 for \$500,000 for Initial Request services for the period 02/01/2023 – 01/31/2025. Notification of 30 days (60 days for SEIU) is required.

After logging into the system please select link below, view the information and verify receipt:

<http://apps.sfgov.org/dhrrupal/node/19742> For union notification, please see the TO: field of the email to verify receipt. If you do not see all the unions you intended to contact, the PSC Coordinator must change the state back to NOT READY, make sure the classes and unions you want to notify are selected and SAVE. Then VIEW the record and verify the list of unions and emails. EDIT the document again , change the state back START UNION NOTIFICATION and SAVE. You should receive the email with all unions to the TO: field as intended