

CITY OF STOCKTON



REQUEST FOR PROPOSALS (RFP) PUR 26-016 INTERNAL AUDITING SERVICES

**PROPOSALS WILL BE RECEIVED UNTIL THE HOUR OF 2:00 PM
PST, THURSDAY, NOVEMBER 20, 2025; ELECTRONICALLY AT
CITY.CLERK@STOCKTONCA.GOV**

REQUEST FOR PROPOSALS (RFP) INTERNAL AUDITING SERVICES

** Dates and times may be modified as deemed necessary by the City. Any alterations to the schedule will be communicated through the City's Bid Flash Platform. Respondents are responsible for regularly monitoring Bid Flash for any adjustments and updates. **

RFP INFORMATION	
PUR 26-016	
Contact	Jason Farrow
Email Address	stocktonbids@stocktonca.gov
RFP Submittal Electronic Mail	city.clerk@stocktonca.gov
Due Date for Questions and Clarifications	October 23, 2025; 2:00 pm PST
Due Date for Response to Questions/Clarifications	October 30, 2025
RFP Submittal Due Date & Time	November 20, 2025; 2:00 pm PST Proposal shall be electronically delivered to the email address above at or before the hour stated. Proposals arriving after the opening deadline will not be accepted.
Short-List Interviews (if applicable)	TBD
Notification of Intent to Award	Anticipated February, 2025
Anticipated Date for Council Approval	Anticipated February, 2025

NOTICE INVITING PROPOSALS

NOTICE IS HEREBY GIVEN that sealed proposals will be received no later than **Thursday, November 20, 2025 at 2:00 pm (local time)** by the City of Stockton, California for Internal Auditing Services – PUR 26-016 in strict accordance with the specifications.

The City of Stockton, herein after referred to as the “City”, is requesting proposals from firms or individuals, herein after referred to as “Proponent” to provide City Auditor to the City. The City is seeking a firm to provide independent internal auditing services in accordance with the Stockton City Charter and Generally Accepted Government Auditing Standards.

Each Proposal shall be marked "PROPOSAL" and shall indicate the project name, number, and proposal opening date, and shall be electronically delivered to the email address below at or before the hour stated. Each Proponent must be licensed in accordance with applicable California State Law.

Proposal forms and specifications are available on the City’s website at: www.stocktonca.gov/adminbid. Proposals must be electronically delivered to city.clerk@stocktonca.gov. Proponents will only be identified as responding to the RFP; no proposals will be opened or read aloud.

The City reserves the right to reject any/or all proposals received and re-advertise.

For questions about this project, please contact Jason Farrow at stocktonbids@stocktonca.gov or (209) 937-8357.

KATHERINE ROLAND, CMC, CPMC, CITY CLERK
CITY OF STOCKTON

Contents

- 1.0 BACKGROUND/SUMMARY..... 5
- 2.0 SCOPE OF SERVICES..... 6
- 3.0 PROJECT SCHEDULE OF EVENTS 8
- 4.0 SUBMITTAL REQUIREMENTS 8
 - 4.1 PROPOSAL GUIDELINES, CONTENT, AND FORMAT 8
- 5.0 SELECTION CRITERIA & EVALUATION..... 8
- 6.0 CITY REQUIREMENTS 11
 - 6.1 CITY RESPONSIBILITIES 11
 - 6.2 LOCAL BUSINESS PREFERENCE..... 11
 - 6.3 MANDATORY/OPTIONAL PRE-SUBMITTAL MEETING 11
 - 6.4 TERM 11
 - 6.5 OTHER GOVERNMENT AGENCIES 11
 - 6.6 INSURANCE REQUIREMENTS..... 11
 - 6.7 APPLICABLE LAW..... 12
 - 6.8 METHOD OF PAYMENT..... 12
 - 6.9 NOTICE TO OUT OF STATE BUSINESS 12
 - 6.10 CONFIDENTIALITY..... 12
 - 6.11 PROTEST POLICY..... 13
 - 6.11.A PROTEST PROCEDURE..... 13
 - 6.11.B PROTEST REVIEW..... 13
- 7.0 GENERAL REQUIREMENTS, TERMS & CONDITIONS 14
 - 7.1 CONSEQUENCE OF PROPOSAL SUBMISSION..... 14
 - 7.2 ACCEPTANCE OR REJECTION OF PROPOSAL..... 14
 - 7.3 RIGHT TO CHANGE OR AMEND REQUEST 14
 - 7.4 CANCELLATION 15
 - 7.5 EXAMINATION OF PROPOSAL MATERIALS 15
 - 7.6 ADDENDA AND INTERPRETATION..... 15
 - 7.7 DISQUALIFICATION..... 15
 - 7.8 CONDITIONS IF WORK IS SUBCONTRACTED..... 16
 - 7.9 LICENSING REQUIREMENTS..... 16
 - 7.10 INDEMNITY AND HOLD HARMLESS 16
 - 7.11 COMPETITIVE PRICING..... 16

7.12 AVAILABLE FUNDING 16

7.13 TERMINATION FOR CONVENIENCE 17

7.14 AUDITING CHARGES AND SERVICES 17

7.15 CHANGES..... 17

7.16 AWARD 17

8.0 PROPOSAL DOCUMENTS8-1

 ATTACHMENT A – PROJECT SUBMITTAL CHECKLIST 8-2

 ATTACHMENT B- PROPONENT’S COVENANT 8-3

 ATTACHMENT C - NON-COLLUSION AFFIDAVIT..... 8-4

 ATTACHMENT D – AGENCY REFERENCE FORM 8-6

 ATTACHMENT E – CERTIFICATION OF FINANCIAL CONDITION..... 8-7

 ATTACHMENT F – COST/PRICE PROPOSAL 8-8

 ATTACHMENT G - SUBCONTRACTOR LIST 8-9

 ATTACHMENT H - EXCEPTIONS..... 8-10

9.0 PROPOSAL EXHIBITS..... 9-1

 9.1 EXHIBIT 1 – INSURANCE REQUIREMENTS 9-1

 9.2 EXHIBIT 2 – SAMPLE CONTRACT 9-2

1.0 BACKGROUND/SUMMARY

The City of Stockton (City), incorporated on July 25, 1850, is one of California’s oldest cities and a historic hub of commerce and culture in the Central Valley. Operating under a Council–

Manager form of government since adoption of its Charter in 1923, the City serves as the county seat of San Joaquin County. Stockton covers approximately 60.8 square miles and is home to a diverse and dynamic population of more than 325,000 residents.

The City organization comprises departments providing a wide range of essential public services, including Police, Fire, Public Works, Municipal Utilities, Community Development, Economic Development, Human Resources, Information Technology, Administrative Services, and Community Services. The City operates on a fiscal year ending June 30. The Fiscal Year (FY) 2025-26 adopted budget totals approximately \$996 million, including \$21 million for debt service and \$31 million for capital projects. Personnel costs represent a significant portion of City expenditures, with over \$269 million budgeted for salaries supporting 1,779 full-time positions across the organization.

The City Auditor function is established under authority of the Stockton City Charter and serves a critical role in supporting transparency, accountability, and good governance. The City Auditor is appointed by, and reports directly to, the City Council and Council Audit Committee. In order to maintain independence, the Auditor does not exercise control over any City activity subject to audit.

The Office of the City Auditor is responsible for conducting compliance, financial, and performance audits that provide objective analyses, appraisals, and recommendations for improving City operations, internal controls, and stewardship of public resources. These audits focus on ensuring adherence to law and policy, safeguarding of assets, and achievement of City objectives.

The City of Stockton is seeking proposals from qualified firms to provide comprehensive Internal Auditing Services to fulfill the powers and duties of the City Auditor under the Charter. The selected firm will partner with the City Council and management to deliver high-quality, independent, and risk-based audit services that enhance accountability, improve operational efficiency, and strengthen public trust in City government.

2.0 SCOPE OF SERVICES

The selected firm will provide independent Internal Auditing Services in accordance with the Stockton City Charter and Generally Accepted Government Auditing Standards (GAGAS, "Yellow Book"). At a minimum, services will include the following:

A. Internal City Auditor Services

- Provide a senior representative to be assigned the powers and duties of the City Auditor under the agreement.
 - This individual will serve as the primary point of contact for the City Council and Council Audit Committee and is expected to be readily accessible to inquiries, provide clarification, and attend meetings as requested, in a manner consistent with the responsiveness expected of a City Charter officer.
- Administer the City's Ethics, Fraud, Waste, and Abuse Hotline, including review of calls and investigations as appropriate.
- Respond to inquiries directed to the City Auditor and coordinate with City staff for follow-up.
- Coordinate with City staff to schedule and prepare for Council Audit Committee meetings.

- Develop and update an Annual Audit Plan for Council Audit Committee and City Council approval, based on citywide risk assessments and Council priorities.
- Provide status reports at Council Audit Committee meetings, and as requested at City Council or other public meetings.
- Coordinate with staff and external auditors on the City's annual financial audits and perform follow-up on related findings.

B. Risk Assessment Services

- Conduct periodic citywide risk assessments of financial, administrative, and operational functions.
- Review City policies, procedures, and practices to assess adequacy and compliance.
- Evaluate the City's overall control environment, including management and staff practices, assignment of authority, and alignment of risk mitigation efforts with City objectives.
- Identify strengths, weaknesses, challenges, and key areas of risk; make recommendations for improvement; and prepare preliminary audit plans to inform the annual audit plan.

C. Internal Control Audits

- Conduct audits of internal control systems as identified in the annual audit plan and help implement best practices to strengthen internal controls.
- Perform sampling and testing procedures to evaluate internal controls across high-risk areas.
- Incorporate and build upon the internal control evaluation work conducted by the City's external auditing firms.
- Report on deficiencies, risks, and recommended corrective actions to strengthen controls and reduce exposure.
- Present findings and recommendations to the City Manager and Council Audit Committee.

D. Performance and Operational Audits

- Conduct performance and operational audits of City departments, functions, and programs as identified in the annual audit plan.
- Provide departments and the City Manager's Office an opportunity to review and respond to draft findings.
- Prepare written reports and public presentations summarizing audit scope, findings, recommendations, and corrective actions.
- Collaborate with management to support implementation of recommendations.

E. Follow-up and Reporting

- Conduct follow-up and verification of audit findings until resolved and closed.
- Provide City staff with tools and processes to track open audit findings and facilitate resolution.
- Deliver quarterly and annual reports to the Council Audit Committee and City Council summarizing audit activities, findings, and status of recommendations.

3.0 PROJECT SCHEDULE OF EVENTS

The dates indicated within this RFP are the anticipated milestones for this project. All dates are subject to change at the convenience of the City. All changes to this schedule will be posted on the City's Bid Flash platform.

4.0 SUBMITTAL REQUIREMENTS

4.1 PROPOSAL GUIDELINES, CONTENT, AND FORMAT

The City of Stockton uses a qualifications-based selection process in obtaining these services. In order for the City to properly evaluate the Proponents' qualification to perform this work, the proposals shall include, as a minimum, the following information:

- A. Evidence of the Proponent's ability to be responsive to this project in regard to timeliness and expertise, including availability of staff proposed to be assigned.
- B. The Proponents are encouraged to expand on the Scope of Work to demonstrate their expertise. Evaluation of the proposals will be based on qualifications, the experience of staff proposed to be assigned to the project, references, and thoroughness of the Proponent's response to the Scope of Services.
- C. Such additional information that the Proponent may feel would be pertinent to assist the City of Stockton in making its final decision.
- D. Please submit one (1) electronic version of the proposal to city.clerk@stocktonca.gov. Proposal fee, use Attachment F; shall be submitted as a separate electronic file from the submitted proposal. If the file is too large, it can be hand-delivered or mailed (with a flash drive) to the City Clerk Office, 425 N. El Dorado Street, Stockton, CA 95202.
- E. Material and data not specifically requested for consideration, but which the Proponent wishes to submit, must not appear with the Proposal but may appear only in an "Additional Data" section. This has specific reference to the following types of data: Generalized narrative of supplementary information, and Supplementary graphic material.
- F. All proposals must be signed with the full name of the Proponent, if an individual; by an authorized general partner, if a partnership; or by an authorized officer, if a corporation.
- G. When proposals are signed by an agent other than an officer of a corporation or a member of a general partnership, a power of attorney authorizing the signature must be submitted with the proposal.
- H. The original proposal shall be signed. Modification to a proposal after the proposal submittal deadline will not be accepted by the City.

5.0 SELECTION CRITERIA & EVALUATION

The City is interested in selecting a qualified firm with the ability to provide the scope of work described in this solicitation and the resulting awarded contract. A key component for the successful firm will be the ability to meet the performance desires of the City while minimizing the cost.

The Evaluation Panel will consist of City of Stockton staff and any other person(s) designated by the City. Following review of the proposals, the Panel may invite one or more Proponents to make an oral presentation. During these presentations, the Proponent will be allowed to present such information as may be appropriate in order that the Panel can effectively and objectively analyze all materials and documentation submitted as part of the proposals.

Each firm must be represented by an individual who will be the prime contact person to the City and any other individuals whom the firm may select. The highest-rated proposal(s) will then be further scrutinized through financial analysis and reference checks.

Proposals shall be evaluated according to: demonstrated understanding of required tasks, technical approach to specified operations, qualifications of staff, experience of the company, demonstrated knowledge of best practices for the identified scope, financial business strength, and fee schedule proposal. Proper format and demonstrated experience will merit consideration.

To that end, each proposal will be evaluated based on, but not limited to, the following criteria, listed in relative order of importance:

- A. Qualifications
- B. Method of Approach
- C. Schedule and Delivery Criteria
- D. Demonstrated Experience Providing Internal Auditing Services for Municipalities
- E. Proponent's Cost/Price Proposal - Completed and Signed Under Separate Cover
- F. Interview/Presentation, if applicable; and

In addition, each proposal shall also contain the following completed documents:

- G. Proponent's Covenant;
- H. Non-Collusion Affidavit;
- I. Submitted and signed Addendums;
- J. Certification of Financial Condition;

Proponents may elect to submit proposals that include multiple organizations (subcontractors). If including multiple subcontractors, then background information needs to be provided for each subcontractor as well as a clear description of what their scope(s) of work will be.

COVER LETTER:

Submit a letter on your company letterhead addressing the proposal and format. The letter should be signed by an officer of the firm authorized to bind the firm to all comments made in the proposal, and shall include the name, address, phone number, and e-mail address of the person(s) to contact who will be authorized to represent your firm.

In no more than three (3) pages, the Cover Letter and Executive Summary shall include:

1. The names of the key members of the Proponent team;
2. The mailing address, telephone number, and the name of the main point of contact for the Proponent team;
3. A summary of the consultant's experience and qualifications, as it relates to the Scope of Work of this solicitation and the significant advantages to selecting the Proponent;
4. An acknowledgement of receiving any addendum(s) to the solicitation document.
5. Indicate that the proposal and all its contents, including the fee proposal, are valid for a period of 120 days.

5.1 QUALIFICATIONS AND EXPERIENCE

1. Describe how your firm is organized, noting major divisions and any parent/holding companies, as well as a brief history of the firm and all personnel potentially to be involved in the project, including all sub-consultants. Designate the Principal in Charge and other key personnel. Include résumés. Also, provide a description of the experience your firm has had with similar processes

2. Provide a list of references with the current contact person, e-mail address, and phone number who may be contacted regarding firm performance. Use Attachment D for references.

The review team will conduct a background reference review of each respondent. Please include the following information for three (3) projects that the proposed consultant team worked on together:

- A. Name of the Agency or Firm
 - B. Location of the Project
 - C. Name, title, and contact information for the client.
 - D. Description of Services
 - E. Dates of the Project
3. Financial Capacity

The Proponent must be able to demonstrate a good record of performance and have sufficient financial resources to ensure that they can satisfactorily provide the services required herein.

All Proponents are required to fill out Attachment E – Certification of Financial Condition.

The Proponent deemed best evaluated and which the City intends to enter into a contract will be required to submit a full and detailed presentation of the true condition of the Proponent's assets, liabilities, and net worth. The report should include a balance sheet and an income statement. If the Proponent is a new partnership or joint venture, individual financial statements must be submitted for each general partner or joint venture thereof. If the firm is a publicly held corporation, the most current annual report should be submitted.

Any Proponent who, at the time of submission, is involved in an ongoing bankruptcy as a debtor, or in a reorganization, liquidation, or dissolution proceeding, or if a trustee or receiver has been appointed over all or a substantial portion of the property of the Proponent under federal bankruptcy law or any state insolvency, may be declared non-responsive.

5.2 METHOD OF APPROACH

1. Proponent shall submit a statement indicating that they understand the requirements of the Scope of Work.
2. Explain in detail how your firm will meet the requirements of the Scope of Work.
3. Explain the best practices your firm will use in providing the proposed services.
4. Describe your firm's quality assurance practices and processes to ensure high-quality delivery of services to meet the requirements of this solicitation

5.3 PRICE SHEET

1. Using Attachment F – Cost/Price Proposal for required services. Proponent must submit a signed proposal fee under a separate electronic file. Do not include it in the technical proposal response. Provide a detailed basic fee structure and breakdown of

any other charges related to your firm's proposal as specified. Finalist's fee structure may be subject to negotiation.

6.0 CITY REQUIREMENTS

6.1 CITY RESPONSIBILITIES

City will provide all readily available documentation and data necessary for completing the above tasks.

Staff will be available as necessary and will assist with the coordination of stakeholder meetings.

6.2 LOCAL BUSINESS PREFERENCE

Stockton Municipal Code Section 3.68.090 reads as follows:

Preference shall be given to the purchase of supplies, materials, equipment, and contractual services from local merchants, quality and price being equal. Local merchants who have a physical business location within the boundaries of San Joaquin County, and who have applied for and paid a business license tax and registration fee pursuant to Stockton Municipal Code Title 5, Chapter 5.08, License Taxes, shall be granted two (2) percent bid preference. Local merchants who have a physical business location within the boundaries of the City of Stockton, and who have applied for and paid a business license tax and registration fee pursuant to Stockton Municipal Code Title 5, Chapter 5.08, License Taxes, shall be granted five (5) percent bid preference. This section is intended to provide preference in the award of certain City contracts in order to encourage businesses to move into and expand within the City. (Ord. 2014-03-18-1601 C.S. § 1; prior code § 3-106.1)

6.3 MANDATORY/OPTIONAL PRE-SUBMITTAL MEETING

N/A.

6.4 TERM

The City intends to award an initial three (3) year contract with the option to renew for up to two (2) year options.

6.5 OTHER GOVERNMENT AGENCIES

If mutually agreeable to all parties, the use of any resultant contract/purchase order may be extended to other political subdivisions, municipalities, or tax-supported agencies.

Such participating governmental bodies shall make purchases in their own name, pay directly to the successful Proponent, and be liable directly to the successful Proponent, holding the City of Stockton harmless.

6.6 INSURANCE REQUIREMENTS

Proponent, at Proponent's sole cost and expense and for the full term of the resultant contract or any extension thereof, shall obtain and maintain at least all of the insurance requirements listed in attached Exhibit 1.

All coverage shall be provided by a carrier authorized to transact business in California and shall be primary. All policies, endorsements, and certificates shall be subject to approval by the Risk Manager of the City to Stockton as to form and content. These requirements are subject to amendment or waiver if so, approved in writing by the Risk Manager.

Maintenance of proper insurance coverage is a material element of this contract, and failure to maintain or renew coverage or to provide evidence of renewal may be treated as a material breach of contract.

The Proponent shall assert that these insurance requirements will be met as part of their proposal response. Failure to comply with these insurance requirements may result in a proposal being deemed unresponsive. Proponent shall satisfy these insurance requirements concurrently with the signing of the contract prior to commencement of work. It is strongly suggested that insurance requirements be reviewed with Proponent's broker to ensure any additional costs are included in the proposal pricing component.

Any questions pertaining to insurance requirements, please contact City of Stockton Risk Services at (209) 937-5037.

6.7 APPLICABLE LAW

Applicable law shall be governed by the laws of the State of California. Venue shall be proper in the Superior Court of the State of California, County of San Joaquin, Stockton Branch, or, for actions brought in Federal Court, the United States District Court for the Eastern District of California, Sacramento Division.

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

6.8 METHOD OF PAYMENT

Payment will be made within thirty (30) days after invoices are received and accepted by the City. Invoices are to be rendered monthly, unless prescribed differently per contract.

6.9 NOTICE TO OUT OF STATE BUSINESS

It is the policy of the City of Stockton to pay all applicable California sales/use tax directly to the State Board of Equalization (BOE) pursuant to California Revenue and Taxation Code 7051.3. The City of Stockton will self-accrue all sales/use tax on purchases made from out-of-state businesses, unless documentation is provided by Proponent evidencing the business is registered with the State of California.

Sales and use tax on purchases made by the City of Stockton from all companies located outside California, not registered with the state, and whose products are shipped from out of state will be remitted to the BOE directly by the City under permit number SR KHE 28-051174 DP. Please do not include sales/use tax on the invoice that you submit to the City of Stockton.

Questions regarding the City of Stockton's payment of sales/use tax can be directed to the City of Stockton's Procurement Division at (209) 937-8357.

6.10 CONFIDENTIALITY

If Proponent believes that portions of a proposal constitute trade secrets or confidential commercial, financial, geological, or geophysical data, then the Proponent must so specify by, at a minimum, stamping in bold red letters the term "CONFIDENTIAL" on that part of the proposal which the Proponent believes to be protected from disclosure. The Proponent must submit in writing specific detailed reasons, including any relevant legal authority, stating why the Proponent believes the material to be confidential or a trade secret. Vague and general claims as to confidentiality will not be accepted. The City will be the sole judge as to whether a claim is general

and/or vague in nature. All offers and parts of offers that are not marked as confidential may be automatically considered public information after the contract is awarded. The Proponent is hereby put on notice that the City may consider all or parts of the offer public information under applicable law even though marked confidential.

6.11 PROTEST POLICY

Protest and Appeal Procedures. In order to maintain fairness and impartiality, the City of Stockton has established a solicitation protest policy and procedure.

6.11.A PROTEST PROCEDURE

- A. All protests must be in writing and stated as a formal protest.
- B. The protest must contain a complete statement of the basis for the protest and must include all relevant supporting documentation.
- C. The solicitation process and procedures, including evaluation criteria, shall not be proper grounds for protest. Concerns related to the solicitation process and procedures, including evaluation criteria, should be raised and addressed, if at all, prior to the bid/proposal due date and time to allow adjustments before evaluation of the solicitation. The party challenging the award decision to bear the burden of proof of material error to justify invalidation of the proposed award.
- D. Protests must be filed with the City's Chief Financial Officer, or designee, not later than five (5) days after the date the City mails and or posts on the City's Bid Flash platform, the Letter of Intent to Award.
- E. Deliveries of the protest by hand, mail, email are acceptable.
- F. The City is not responsible for lost or misplaced protests, or to assure the protest is received within the protest deadlines.

6.11.B PROTEST REVIEW

- A. The Chief Financial Officer or designee shall respond in writing to material issue raised in the protest within thirty (30) days of receipt of the protest letter.
- B. The Chief Financial Officer's, or designee 's, administrative decision may be appealed in writing to the City Manager no later than (5) business days after the date the Chief Financial Officer's, or designee's decision has been made.
- C. The City Manager shall review and decide the appeal based on the grounds and documentation set forth in the original protest to the Chief Financial Officer, or designee.
- D. Each party shall bear its own costs and expenses involved in the protest and appeal process, including any subsequent litigation.
- E. The City Manager's administrative decision is final. After the City Manager issues the final administrative decision, the time in which judicial review of the decision must be sought shall be governed by California Code of Civil Procedure Section 1094 or as such section may be amended from time to time.
- F. If the protested procurement involves state or federal funds, the Chief Financial Officer, or designee, shall give notice to the interested party that he or she has the right to appeal to the appropriate agency, which shall be

identified by name and address. An appeal hereunder shall be filed with the appropriate agency within five (5) working days of the dispatch of rejection notices to the interested party(ies).

- G. The City may require the protesting party to submit a City Council approved non-refundable protest fee to cover the administrative cost of processing the protest.

7.0 GENERAL REQUIREMENTS, TERMS & CONDITIONS

7.1 CONSEQUENCE OF PROPOSAL SUBMISSION

- A. The City shall not be obligated to respond to any proposal submitted nor be legally bound in any manner by the submission of a proposal.
- B. Acceptance by the City of a proposal obligates the Proponent to enter into an agreement with the City.
- C. An agreement shall not be binding or valid against the City unless or until it is executed by the City and the Proponent.
- D. Statistical information contained in these documents is for informational purposes only. The City shall not be responsible for the accuracy of said data.
- E. City reserves the right to increase or decrease the project scope.

7.2 ACCEPTANCE OR REJECTION OF PROPOSAL

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from, or to a proposal may be sufficient grounds for rejection of the proposal. The City has the right to waive any defects in a proposal if the City chooses to do so. The City may not accept a proposal if any document or item necessary for the proper evaluation of the proposal is incomplete, improperly executed, indefinite, ambiguous, or missing.

The City reserves the right to select the successful proposal and negotiate an agreement as to the scope of services, the schedule for performance, and duration of the services with Proponent whose proposal is most responsive to the needs of the City. Further, the City reserves the right to reject any and all proposals, or alternate proposals, or waive any informality or irregularity in the proposal as is in the City's best interest.

The City reserves the right to reject any and all proposals, or portions thereof, received in response to the solicitation or to negotiate separately with any source whatsoever, in any manner necessary, to serve the best interests of the City. Additionally, the City may, for any reason, decide not to award an agreement as a result of this RFP.

Non-acceptance of any proposal shall not imply that the proposal was deficient. Rather, non-acceptance of any proposal will mean that another proposal was deemed to be more advantageous to the City or that the City decided not to award an agreement as a result of this RFP.

7.3 RIGHT TO CHANGE OR AMEND REQUEST

The City reserves the right to change the terms and conditions of this RFP. The City will notify potential Proponent of any material changes by posting on the City's website, Bid Flash Platform. No one is authorized to amend any of the RFP requirements in any respect, by an oral statement, or to make any representation or interpretation in conflict with its provisions. If necessary,

supplementary information and/or clarifications/questions/answers will be posted on the City's website at www.stocktonca.gov/adminbid. Failure of any Proponent to not have received such information and/or clarifications/questions/answers shall not relieve such Proponent from any obligation under his/her proposal as submitted.

Any exceptions to this Proposal shall be clearly stated in writing.

7.4 CANCELLATION

The City reserves the right to rescind award of the contract at any time before execution of the contract by both parties if rescission is deemed to be in City's best interest. In no event shall the City have any liability for the rescission of award. The Proponent assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

7.5 EXAMINATION OF PROPOSAL MATERIALS

The submission of a proposal shall be deemed a representation and warranty by the Proponent that it has investigated all aspects of the RFP, that it is aware of the applicable facts pertaining to the RFP process and its procedures and requirements, and that it has read and understands the RFP. No request for modification of the provisions of the proposal shall be considered after its submission on the grounds that the Proponent was not fully informed as to any fact or condition. Statistical information that may be contained in the Solicitation, or any addendum, is for informational purposes only. The City disclaims any responsibility for this information, which may subsequently be determined to be incomplete or inaccurate.

7.6 ADDENDA AND INTERPRETATION

The City will not be responsible for, nor be bound by, any oral instructions, interpretations, or explanations issued by the City or its representatives. Any request for clarifications, questions, or answers of this RFP shall be made in writing via e-mail and delivered to:

stocktonbids@stocktonca.gov

Reference: PUR 26-016 City Auditor

Such requests for clarifications/questions/answers shall be delivered to the City in accordance with the date identified within this Solicitation. Any City response to a request for clarifications/questions/answers will be posted on the City's website at www.stocktonca.gov/adminbid on the date identified within this Solicitation and will become a part of the Solicitation. The Proponent should await responses to inquiries prior to submitting a proposal.

7.7 DISQUALIFICATION

- a. Any of the following may be considered cause to disqualify a Proponent without further consideration:
- b. Evidence of collusion among Proponents;
- c. Any attempt to improperly influence any member of the evaluation panel;
- d. Any attempt to communicate in any manner with a City of Stockton elected official during the RFP process will, and shall be, just cause for disqualification/rejection of Proponent's proposal/Proponent's bid submittal and considered non-responsive.
- e. A Proponent's default in any operation of a professional services agreement which resulted in termination of that agreement; and/or

- f. Existence of any lawsuit, unresolved contractual claim, or dispute between Proponent and the City.
- g. No person, firm, or corporation shall be allowed to make or file or be interested in more than one bid for the same supplies, services, or both; provided, however, that subcontract bids to the principal bidders are excluded from the requirements of this section: Section 3.68.120 of the Municipal Code.

7.8 CONDITIONS IF WORK IS SUBCONTRACTED

The Proponent assumes full responsibility, including insurance and bonding requirements, for the quality and quantity of all work performed. Subcontractor use for any part of any contract resulting from this RFP requires prior written approval from the City authority before any subcontractor work may commence.

If Proponent's supplier(s) and/or subcontractor's involvement requires the use of a licensed, patented, or proprietary process, the proponent of the process is responsible for assuring that the subcontractor, supplier, and/or operator have been properly authorized to use the process or for providing another process which is comparable to that which is required prior to submission of a proposal.

7.9 LICENSING REQUIREMENTS

Any professional certifications or licenses that may be required to perform the scope of work will be the sole cost and responsibility of the successful Proponent.

A City of Stockton Business license may be required for this project. Please contact the City of Stockton Business License Division at (209) 937-8313.

7.10 INDEMNITY AND HOLD HARMLESS

To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

7.11 COMPETITIVE PRICING

Proponent warrants and agrees that each of the charges, economic or product terms, or warranties granted pursuant to this Contract is comparable to or better than the equivalent charge, economic or product term, or warranty being offered to any similarly situated commercial or other government customer of Proponent. If Proponent enters into any arrangements with another customer of Proponent to provide products under more favorable charges, economic or product terms or warranties, Proponent shall immediately notify City of such change, and this Contract shall be deemed amended to incorporate the most favorable charges, economic or product terms or warranties.

7.12 AVAILABLE FUNDING

Any contract resulting from this RFP will terminate without penalty at the end of the fiscal year in the event funds are not appropriated for the next fiscal year. If funds are appropriated for a portion

of the fiscal year, this contract will terminate without penalty at the end of the term for which funds are appropriated.

7.13 TERMINATION FOR CONVENIENCE

The City may terminate the resultant Agreement for convenience at any time by mailing a notice in writing to the Contractor.

7.14 AUDITING CHARGES AND SERVICES

The City reserves the right to periodically audit all charges and services made by the successful Proponent to the City for services provided under the contract. Upon request, the Proponent agrees to furnish the City with necessary information and assistance.

7.15 CHANGES

The City's Representative has the authority to review and recommend or reject change orders and cost proposals submitted by the Proponent or as recommended by the Proponent's project manager, pursuant to the adopted City of Stockton Standard Specifications.

7.16 AWARD

Upon conclusion of the solicitation process, the City may award a contract for services identified in the solicitation. The City reserves the right to select the successful Proponent and to negotiate terms of a contract with the Proponent whose proposal is most responsive to the needs of the City. Further, the City reserves the right to reject any and all proposals, or alternate proposals, or waive any informality in the proposal as is in the City's best interest.

8.0 PROPOSAL DOCUMENTS

Internal Auditing Services	
PUR 26-016	
SUBMITTAL DUE: THURSDAY, November 20, 2025; 2:00 PM PST	
RFP Submittal Electronic Mail	city.clerk@stocktonca.gov
Proponent Business Name	
Proponent Contact Name	
Proponent Address	
Proponent Phone Number	
Proponent Email Address	
Department of Industrial Relations ID Number (if applicable)	

ATTACHMENT A – PROJECT SUBMITTAL CHECKLIST

THIS CHECKLIST IS PROVIDED FOR YOUR CONVENIENCE ONLY. IT IS NOT REQUIRED TO BE SUBMITTED WITH PROPOENT PROPOSAL.

	1. Attachment A – Project Submittal Checklist
	2. Cover Letter & Executive Summary
	3. Full proposal as defined in this solicitation
	4. Section 8 Form – Proposal Documents
	5. Attachment B – Proponent’s Covenant
	6. Attachment C – Non-Collusion Affidavit - Sign and notarize by jurat certificate the “Non-Collusion Affidavit” form. An “All-Purpose Acknowledgment” form will not be sufficient.
	7. Attachment D – Agency Reference List
	8. Attachment E – Certification of Financial Condition
	9. Attachment F – Cost / Price Proposal (Under separate cover)
	10. Attachment G – Subcontractor List
	11. Attachment H - Exceptions
	12. All Amendment Acknowledgements. Print and sign all clarifications/questions/answers on the City’s website at www.stocktonca.gov/adminbid and submit with proposal response
	Submit one (1) electronic version of the proposal and (1) Attachment F – Cost/Price Proposal to: city.clerk@stocktonca.gov

ATTACHMENT B- PROPONENT'S COVENANT

In submitting this proposal, as herein described, the Proponent agrees that:

1. They have carefully examined the Scope of Work and all other provisions of this document and understand the meaning, intent, and requirements of same.
2. They will enter into contract negotiations and furnish the services specified.
3. They have signed and notarized the attached Non-Collusion Affidavit form, whether individual, corporate or partnership. Must be 'A Jurat' notarization.
4. They have reviewed and signed all clarifications/questions/answers on the City's website at www.stocktonca.gov/adminbid.
5. Confidentiality: Successful Proponent hereby acknowledges that information provided by the City is personal and confidential and shall not be used for any purpose other than the original intent outlined in the Request for Proposal. Breach of confidentiality shall be just cause for immediate termination of contract agreement.

FIRM

ADDRESS

SIGNED BY & DATE

TITLE OR AGENCY

PHONE/FAX NUMBER

EMAIL

**ATTACHMENT C - NON-COLLUSION AFFIDAVIT
AFFIDAVIT FOR INDIVIDUAL PROPONENT**

No. 1

STATE OF _____, _____)ss.
County of _____)
(insert)

_____ being first duly sworn, deposes and says: That on behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

(Signature Individual Proponent)

Subscribed and sworn to (or affirmed) before me on this _ day of _____, 20__

by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

No. 2

AFFIDAVIT FOR CORPORATION PROPONENT

STATE OF _____, _____)ss.
County of _____)
(insert)

_____ being first duly sworn, deposes and says: That they are the _____ of _____ a corporation, which corporation is the party making the foregoing bid, that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

(Signature Corporation Proponent)

Subscribed and sworn to (or affirmed) before me on this _ day of _____, 20__ by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

No. 3 **AFFIDAVIT FOR FIRM, ASSOCIATION, OR CO-PARTNERSHIP**

STATE OF _____, _____)ss.
County of _____)
(insert)

_____, each being first duly sworn, depose and say: That they are a member of the firm, association or co-partnership, designated as _____ who is the party making the foregoing bid; that the other partner, or partners, are _____ that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation shall or should refrain from proposing; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

(Signature)

(Signature)

Subscribed and sworn to (or affirmed) before me on this ___ day of _____, 20__

by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

**ATTACHMENT D – AGENCY REFERENCE FORM
PUR 26-016**

Supply Three (3) References of Government Agencies and/or Firms for whom Bidder has provided similar Services during the last three (3) years:

LIST OF REFERENCES

1. Agency or Firm Name:	
Location of the Service:	
Contact Person and Title:	
Telephone:	
Email Address:	
Description of Service:	
Date(s) When Service Provided:	
2. Agency or Firm Name:	
Location of the Service:	
Contact Person and Title:	
Telephone:	
Email Address:	
Description of Service:	
Date(s) When Service Provided:	
3. Agency or Firm Name:	
Location of the Service:	
Contact Person and Title:	
Telephone:	
Email Address:	
Description of Service:	
Date(s) When Service Provided:	

Signature and acknowledgment by signing below, I certify that I am authorized by the company named above to respond to this request.

Company/Firm Name			
Address		Zip:	
Contact Name			
Email		Phone	
Fax		Signature	

ATTACHMENT E – CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: PUR 26-016

Vendor Name: _____

The undersigned hereby certifies that: [check all applicable boxes]

The Vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.

Date of latest audit: _____ (If no audit within past 18 months, explain reason below.)

The Vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.

The Vendor is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.

The Vendor is not the subject of any current litigation or findings of noncompliance under federal or state law.

The Vendor has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.

He or she is authorized to make the foregoing statements on behalf of the Vendor.

Note: This shall constitute a continuing certification and Vendor shall notify the Contract Lead within 30 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, Vendor shall explain the reason(s) in the space below. Failure to include an explanation may result in Vendor being deemed non-responsive and its submission rejected in its entirety.

Signature: _____

Date: _____

Printed Name: _____

Title: _____

**ATTACHMENT F – COST/PRICE PROPOSAL
PUR 26-016**

Proposal Submitted By: Company Name: _____ Contact Name: _____ Contact Email: _____ Contact Phone: _____ _____	
Signature: _____ Title: _____ Date: _____	
Project Overview: Description of Services:	
Project Start Date: _____ Project End Date: _____	
Consulting Fees:	Hourly Rate: \$ _____ (No. of Hours: _____) Estimated Total: \$ _____
Materials and Resources: Description:	Cost Breakdown: Estimated Cost: \$ _____
Travel Expenses:	Mileage: \$ _____ (Miles: _____) Accommodations: \$ _____ Per Diem: \$ _____
Other Expenses: Description:	Estimated Cost: \$ _____
Total Estimated Cost:	\$ _____

**ATTACHMENT G - SUBCONTRACTOR LIST
PUR 26-016**

PLEASE LIST BELOW ALL SUBCONTRACTORS CONTRIBUTING TO THIS WORK

Each bidder shall give the name, business address, license number, description of the work, and the dollar amount to be PAID the subcontractor, for each subcontractor that will be used on the project, if the Bidder is awarded the contract. Only subcontractors with work in excess of one-half of one percent (0.5%) or \$10,000 (whichever is greater) of the Bidder's total bid need to be listed. All work in excess of one-half of one percent (0.5%) or \$10,000 (whichever is greater) of the Bidder's total bid, for which a subcontractor is not listed on this form, shall be performed by the Bidder's own organization. Additional numbered pages listing proposed subcontractors may be attached to this page. Each page shall be headed "Proposed Subcontractors" and shall be signed by the Bidder.

PRINT LEGIBLY OR TYPE

BUSINESS NAME/ADDRESS	CONTACT	PHONE NUMBER	LICENSE NUMBER & LICENSE CLASSIFICATION	TYPE OF WORK	AMOUNT

**ATTACHMENT H - EXCEPTIONS
PUR 26-016**

9.0 PROPOSAL EXHIBITS

9.1 EXHIBIT 1 – INSURANCE REQUIREMENTS

The Risk Services Division develops insurance requirements for all contracts for the City of Stockton. The Division also reviews and approves all bonds and evidence of insurance, including Certificates of Insurance and endorsements for all contracts. Examples include:

- Contracts - Constructions, Professional Services, Supplier, Lease
- Permits - Encroachment, Revocable, Street Closures, Block Parties
- Bonds - Performance, Maintenance, Labor and Materials
- Community Services – Special Events

This project is subject to Insurance Requirements for General Liability Third Party Administrator

Visit the following website to review the appropriate insurance requirements for this solicitation:

https://www.stocktonca.gov/services/claims_for_damages/index.php

9.2 EXHIBIT 2 – SAMPLE CONTRACT

Any major provision changes to the sample contract should be submitted by the Proponent along with the proposal response.