

SOLICITATION DOCUMENT NO. RFP-OCA-1600001



**NOTICE TO OFFERORS
REQUEST FOR SEALED PROPOSALS (RFP)**

Description: Request for proposals to produce a comprehensive management and performance report of the Honolulu Ethics Commission

Request Agency: Office of the City Auditor, City and County of Honolulu, Hawaii.

COMPETITIVE SEALED PROPOSALS shall be received no later than:

Close Time: 4:00 p.m. Hawaii Standard Time

Close Date: December 30, 2016

Location: Office of the City Auditor
1001 Kamokila Boulevard, Suite 216
Kapolei, Hawaii 96707

Questions relating to this solicitation shall be emailed to the Office of the City Auditor at oca@honolulu.gov.

A large, stylized handwritten signature in black ink, appearing to read "Ernest Y. Martin", is written over a horizontal line.

ERNEST Y. MARTIN
Honolulu City Council Chair & Presiding
Officer (or designee)

TABLE OF CONTENTS

NOTICE TO OFFERORS

- Schedule of Events
- Special Instructions to Offerors
- Evaluation Criteria
- General Instructions to Offerors

APPENDIX A: SCOPE OF WORK

APPENDIX B: TERM/SCHEDULE OF WORK

APPENDIX C: PRICING/CERTIFICATIONS **[TO BE SUBMITTED]**

APPENDIX D: SPECIAL PROVISIONS

APPENDIX E: GENERAL TERMS AND CONDITIONS

APPENDIX F: CONTRACTOR'S PROPOSAL **[TO BE SUBMITTED]**

NOTICE TO OFFERORS - SCHEDULE OF EVENTS

The schedule set out herein represents the City's best estimate of the schedules that will be followed. All times indicated are Hawaii Standard Time (HST). If a component of this schedule is delayed, the rest of the schedule will likely be shifted by the same number of days.

Release or Issue Date of RFP	November 21, 2016
Deadline to Submit Request for Clarifications/Substitutions:	December 2, 2016
Last Day to Issue Addenda:	December 16, 2016
DEADLINE FOR OFFERS:	December 30, 2016 at 4:00 p.m.

NOTICE TO OFFERORS – SPECIAL INSTRUCTIONS TO OFFERORS

1. General Instructions to Offerors for the City and County of Honolulu

The General Instructions to Offerors for the City and County of Honolulu dated 8/1/13 shall apply. If not physically attached, it shall be incorporated by reference herein and referred to as the "General Instructions." Copies may be obtained online at www.honolulu.gov/pur; click on the link titled: " Instructions, Terms & Conditions".

2. Preparation of Proposals.

The Offeror shall submit one original proposal plus 3 copies. If possible, the City requests that the Offeror provide a digital copy of the entire proposal. The Offeror's proposal shall consist of the Appendix C: Pricing / Certifications and the Appendix F: Contractor's Proposal.

3. Method of Award.

The City shall award to the responsible Offeror whose offer is determined to be the most advantageous to the City in accordance with the solicitation's evaluation criteria. The award is subject to the availability of funding.

4. Sample of Contract.

A sample of the City & County of Honolulu's contract form is included as Notice to Offerors - Exhibit 1. Any questions regarding the City's contract form shall be submitted prior to the solicitation's deadline to submit Request for Clarifications/Substitutions.

5. Request for Clarifications.

All requests must be submitted in writing and directed to:

Office of the City Auditor
1001 Kamokila Boulevard, Suite 216
Kapolei, Hawaii 96707
Email: oca@honolulu.gov

OCA will respond to written questions and clarifications by written addenda that are submitted in accordance with the Notice to Offerors – Schedule of Events. OCA shall respond in a timely manner. OCA shall not be obligated to respond to requests for questions or clarifications that are not received on time, unless the City Auditor determines that it is in the best interest of the City to accept the request submitted after the deadline.

6. Rejection of Proposals.

Submission of additional terms and conditions as a part of a Proposal, or the deletion by the offeror of terms and conditions specified in this RFP, may result in rejection of a Proposal. Proposals that are determined to be non-responsive or non-responsible may be rejected (a submission is non-responsive if it does not conform in all material respects to the RFP). Multiple or alternate Proposals, including Proposals made by one person under different names, or through different agents, joint ventures, partnerships or corporations (if such person has more

than a 25% interest in each of the different entities), or through any combination thereof, will not be accepted and all such Proposals will be rejected.

The City reserves the right to reject any and all Proposals when in the Chief Procurement Officer's (CPO) opinion, the rejection will be in the best interest of the City. Reasons for rejection of a Proposal include, but are not limited to, the reasons stated in this RFP and the reasons stated in HAR § 3-122-97 relating to rejection of offers.

7. Disclosure of Results.

Information relating to the results of this RFP or the contents of any Proposal received will be restricted prior to the award of the contract. [HAR § 3-122-58]

8. Nonselection, Cancellation.

OCA is under no obligation to select a contractor from the Proposals it receives. This RFP may be cancelled in whole or in part when in the best interest of the City [HAR § 3-122-95]. The CPO reserves the right to cancel a contract award at any time before the signing of the contract.

9. Verification of Responsibility of Offeror.

Prior to the award of a contract, the successful offeror must be registered as "compliant" on the State of Hawaii Compliance Express System (<http://vendors.ehawaii.gov>) or submit the required tax clearances from the State Department of Taxation and Internal Revenue Service, the Certificate of Compliance with the State Department of Labor and Industrial Relations, and the Certificate of Good Standing with the Department of Commerce and Consumer Affairs, Business Registration Division. Failure to provide proof of compliance, within the time that may be permitted by the City, will result in the rejection of the offer.

10. Contract Award.

A contract will be awarded to the offeror whose Proposal is determined in writing to provide the best value to the City, taking into consideration the evaluation criteria set forth in this RFP. The award of a contract is contingent on the availability of funding for the report.

NOTICE TO OFFERORS - EXHIBIT 1: SAMPLE CONTRACT

CONTRACT NO. XX-XXX-XXXXXXX
SOLICITATION NO. RFP-OCA-1600001

THIS AGREEMENT, made and entered into on _____, by and between the CITY AND COUNTY OF HONOLULU, a municipal corporation existing under and by virtue of the laws of the State of Hawai'i, with offices at Honolulu Hale, 530 South King Street, Honolulu, Hawaii 96813, hereinafter called the "CITY," and [CONTRACTOR'S LEGAL NAME] whose principal place of business is [CONTRACTOR'S ADDRESS], hereinafter referred to as the "CONTRACTOR."

WITNESSETH THAT:

WHEREAS, the CITY desires to engage the CONTRACTOR to produce a comprehensive management and performance report of the Honolulu Ethics Commission pursuant to Honolulu City Council Resolution 16-164, CD1 and

WHEREAS, a solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes (HRS) and the related Hawaii Administrative Rules (HAR). The CONTRACTOR has been identified as the responsible and responsive Offeror whose offer is the most advantageous to the CITY, taking into consideration the evaluation factors set forth in the solicitation; and

WHEREAS, the CONTRACTOR is willing and able to provide the services set forth in this Agreement;

NOW, THEREFORE, the City and the CONTRACTOR, in consideration of the foregoing and of the mutual promises hereinafter set forth, the sufficiency and adequacy of which are hereby acknowledged, and intending to be legally bound, hereby mutually agree as follows:

1. This Contract and the following documents, appendices and exhibits collectively form the "Agreement" or "Contract Documents", all of which are attached hereto and incorporated herein:

This Contract

Appendix A: Scope of Work

Appendix B: Term/Schedule of Work

Appendix C: Pricing/Certifications

Appendix D: Special Provisions

Appendix E: General Terms and Conditions (GTC)

Appendix F: Contractor's Proposal

The Contract Documents as listed hereinabove are in the order of controlling preference should there be any conflict in the terms of the Contract Documents.

2. The CONTRACTOR shall furnish all services, labor, goods, materials, supplies, equipment and other incidentals reasonably necessary for the successful completion of the work contemplated under Appendix A: Scope of Work and this Agreement.

3. The CITY agrees to pay the CONTRACTOR for the satisfactory performance and completion of the Work in accordance with the payments schedule and provisions, all as set forth in Appendix C: Pricing/Certifications, Appendix D: Special Provisions and Appendix E: General Terms and Conditions. The total amount of this Agreement shall not exceed [Dollar Amount Spelled Out] [(\$XX.XX)], which is the maximum payable under this Agreement and inclusive of all taxes. CONTRACTOR shall not pass through any increases in taxes to the City.

Such payments shall be provided from the following funds:

Federal Funds [Dollar Amount]
 City Funds [Dollar Amount]

It is hereby agreed by and between the parties hereto that the sum of [Dollar Amount] shall be paid only out of the applicable Federal funds, and that this Agreement shall be construed to be an agreement by the City to pay such compensation to the CONTRACTOR only out of the aforesaid Federal funds when such Federal funds are received from the Federal Government

4. The term of the Agreement shall be provided in Appendix B: Term/Schedule of Work.

5. The CONTRACTOR perform said work in an efficient manner so as entirely to complete and perform said work within the time set forth in Appendix B: Term/Schedule of Work.

IN WITNESS WHEREOF, this AGREEMENT is executed by the duly authorized officer or agent of the CITY and the CONTRACTOR.

CITY AND COUNTY OF HONOLULU	CONTRACTOR'S LEGAL NAME
BY:	BY:
PRINTED NAME: Ernest Y. Martin	PRINTED NAME:
TITLE: Chair, Honolulu City Council	TITLE:
DATE:	DATE:

APPROVED AS TO FORM AND LEGALITY

 Deputy Corporation Counsel

NOTICE TO OFFERORS - EVALUATION CRITERIA

The City will evaluate proposals against the following evaluation criteria:

Maximum Score = 100

	<u>Maximum Score</u>	<u>Score</u>
<p>1. Price: The points will be allocated in accordance with HAR §3-122-52(d).</p> <p><i>(d) When applicable, cost shall be an evaluation factor.</i></p> <p><i>(1) The proposal with the lowest cost factor must receive the highest available rating allocated to cost. Each proposal that has a higher cost factor than the lowest must have a lower rating for cost;</i></p> <p><i>(2) The points allocated to higher-priced proposals must be equal to the lowest proposal price multiplied by the maximum points available for price, divided by the higher proposal price.</i></p> $\frac{\text{Lowest Proposal Price}}{\text{Offeror's Proposal Price}} \times \text{Maximum Available Points for Price} = \text{Offeror's points for PRICE.}$	<p><u>30</u></p>	<p>_____</p>
<p>2. Experience in performing similar assessments of governmental units</p>	<p><u>30</u></p>	<p>_____</p>
<p>3. Firms resources, including financial stability and adequate, qualified staff to meet the timetables set out in the specifications</p>	<p><u>20</u></p>	<p>_____</p>
<p>4. Firm's independence, objectivity, and ability to complete the work in a timely manner</p>	<p><u>20</u></p>	<p>_____</p>
<p>Total Score:</p>	<p><u>100</u></p>	<p>_____</p>

INSTRUCTIONS TO OFFERORS

I. PURPOSE OF PROCUREMENT

This Request for Proposals (RFP) is issued by the Office of the City Auditor (OCA), an agency of the legislative branch of the City and County of Honolulu (City), which is responsible for conducting, or causing to be conducted: 1) the annual financial audit of the City; 2) performance audits of the funds, programs, and operations of any agency or operation of the City as requested by the council by resolution; 3) performance and financial audits of the funds, programs, and operations of any agency or operation of the City, as determined by the auditor to be warranted; and 4) follow-up audits and monitoring of compliance with audit recommendations by audited entities.

The purpose of this RFP is to select the best qualified offeror to be engaged as a contractor to produce a written report on the management and performance of the Honolulu Ethics Commission.

II. BACKGROUND

The Ethics Commission was established in 1962 (Honolulu City Charter, Article XI - Standards of Conduct, Section 11-107 – Ethics Commission). The Commission consists of seven Commissioners appointed by the mayor and confirmed by the city council for five-year staggered terms. The Commission is headed by an Executive Director who must be an attorney qualified to practice law in the State of Hawaii and whose salary is set by ordinance. Commission staff, consultants, and attorneys are exempt from city human resources rules. The Commission is administratively attached to the Department of the Corporation Counsel.

The Commission is authorized to hold hearings, conduct investigations, administer oaths, and issue subpoenas. The Commission renders advisory opinions and publishes its advisory opinions after deleting the identity of the persons involved. It may recommend appropriate disciplinary action, including fines, against city officers and employees found to have violated the standards of conduct established by the city charter. Besides rooting out corruption in city government, other Commission roles include training city employees on how to follow the rules when spending taxpayer dollars.

The city council passed Resolution 16-164, CD1 (see Exhibit 2) that requested a comprehensive management and performance audit of the Honolulu Ethics Commission. The resolution cited several issues of concern. These included the public's trust in the Commission's ability to carry out its duties; the strained relationship between the Commission's former executive director and staff members, Commissioners and the city administration; the imposition of a media policy; the suspension of the Commission's former Executive Director following an internal personnel investigation; the implementation of a requirement for Commission's staff members to complete daily timesheets that detail by tenth-of-an-hour increments legal and administrative tasks performed; and the resignation of the Commission's former Executive Director and staff members.

The resolution issues will be addressed in three parts. These are as follows: (1) the new Ethics Commission Executive Director will conduct an internal self-control assessment of improvements needed within the organization; (2) the Office of the City Auditor will conduct a

nationwide research of best practices for ethics commissions; and (3) a contractor will perform a management audit of the chain of events.

In the scope of work, the Contractor will trace the history of the events; interview and document what, why, how, and when the events occurred, the rationale for the Commission and administration actions, and the impact of these actions. The Contractor will also provide recommendations for improving the Ethics Commission operations and efficiency in carrying out its duties and to help restore the public's trust in the Commission (see Scope of Work).

III. PROCUREMENT PROCESS

Interested parties are invited to submit a proposal (Proposal) consisting of a Statement of Qualifications (Statement) and a Price (Price). Each submission will be evaluated and scored on the basis of the criteria found in the Evaluation Criteria section of this RFP. This procurement is made pursuant to the Hawaii Public Procurement Code, Chapter 103D, Hawaii Revised Statutes (HRS). The winning proposal will be awarded the contract in July 2017 contingent on the availability of funding provided and approved by the city council. The City and County of Honolulu general terms and conditions (as of February 1, 2015) will apply to the contract.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 16-164, CD1

RESOLUTION

REQUESTING THE CITY AUDITOR TO PERFORM A COMPREHENSIVE MANAGEMENT AND PERFORMANCE AUDIT OF THE HONOLULU ETHICS COMMISSION.

WHEREAS, Section 11-107 of the Revised Charter of the City and County of Honolulu 1973, as amended ("Charter"), establishes an Ethics Commission ("Commission"), within the Department of the Corporation Counsel for administrative purposes, comprised of seven members appointed by the Mayor and confirmed by the Council to five-year terms; and

WHEREAS, the Commission has the basic duties of rendering advisory opinions and conducting investigations concerning the application of the City's standards of ethical conduct and recommending appropriate disciplinary action against City officers and employees who violate the standards; and

WHEREAS, the Commission's stated goal is to establish and build an ethical culture in City government so that the public may justifiably trust City government officers and employees and their respective actions; and

WHEREAS, recent events have strained the relationship between the Commission's former Executive Director and staff members, Commissioners, and the City administration; and

WHEREAS, the public's trust in the Commission's ability to carry out its duties has been undermined, as media reports have indicated, by events such as:

- A. The imposition of a media policy that, among other things, prohibited the Commission's staff members from engaging in media activities to air their concerns or grievances regarding the Commission's operations or comment on the Commission's decisions and opinions;
- B. The suspension of the Commission's former Executive Director following an internal personnel investigation;
- C. The implementation of a requirement for Commission's staff members to complete daily timesheets that detail by tenth-of-an-hour increments legal and administrative tasks performed; and
- D. The resignation of the Commission's former Executive Director and staff members; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 16-164, CD1

RESOLUTION

WHEREAS, the City Council finds that, given the current state of the Commission, a comprehensive management and performance audit is necessary to determine how to improve the Commission's operations and efficiency in carrying out its duties and to help restore the public's trust in the Commission; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the City Auditor is requested to perform a comprehensive management and performance audit of the Honolulu Ethics Commission; and

BE IT FURTHER RESOLVED that the Council requests the City Auditor to report its findings and recommendations for improving the Commission's operations and efficiency in carrying out its Charter-prescribed duties; and

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor, the Managing Director, the Chair of the Honolulu Ethics Commission, and the City Auditor of the City and County of Honolulu.

INTRODUCED BY:

Trevor Ozawa

DATE OF INTRODUCTION:

June 29, 2016
Honolulu, Hawaii

Councilmembers

NOTICE TO OFFERORS - EXHIBIT 2: RESOLUTION 16-164, CD1

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
C E R T I F I C A T E

RESOLUTION 16-164, CD1

Introduced: 06/29/16 By: TREVOR OZAWA


Committee: EXECUTIVE MATTERS
AND LEGAL AFFAIRS

Title: RESOLUTION REQUESTING THE CITY AUDITOR TO PERFORM A COMPREHENSIVE MANAGEMENT AND PERFORMANCE AUDIT OF THE HONOLULU ETHICS COMMISSION.

Voting Legend: * = Aye w/Reservations

08/23/16	EXECUTIVE MATTERS AND LEGAL AFFAIRS	CR-251 - RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION AS AMENDED IN CD1 FORM.
09/07/16	COUNCIL	CR-251 AND RESOLUTION 16-164, CD1 WERE ADOPTED. 9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN J. TAKAHASHI, CITY CLERK



ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER

This page intentionally left blank.

APPENDIX A: SCOPE OF WORK

I. OBJECTIVES AND SCOPE

A. Objectives. The objectives of the engagement are:

1. To produce a written management and performance report of the Honolulu Ethics Commission in accordance with Resolution 16-164, CD1.
2. The resolution issues will be addressed in three parts. These are as follows: (1) the new Ethics Commission Executive Director will conduct an internal self-control assessment of improvements needed within the organization; (2) the office of the city auditor will conduct a nationwide research of best practices for ethics commissions; and (3) a contractor will produce a written management and performance report on the Ethics Commission.

B. Scope of Work (Contractor). For the Contractor scope of work, the Contractor will trace the history of the events; interview, document, and analyze the what, why, how, and when the events occurred, the rationale for the Commission and administration actions, and the impact of these actions. The Contractor will also provide recommendations for improving the Ethics Commission operations and efficiency in carrying out its duties and to help restore the public's trust in the Commission.

More specifically, the Contractor will:

1. Report on the results of interviews, documents, and analysis related to discussions with:
 - a. Corporation Counsel;
 - b. Ethics Commission members (7 members);
 - c. Former Ethics Commission Executive Director;
 - d. Mayor;
 - e. Managing Director; and
 - f. City Council Chair and members.
 - g. Ethics Commission staff
2. Report on the results of interviews, documents, and analysis related to topics such as:
 - a. Commission goals;
 - b. Commission standards of conduct;
 - c. Commission process for conducting investigations, issuing advisory opinions, and determining appropriate disciplinary actions;
 - d. Commission media policy and process for dealing with media;
 - e. Governance and administrative support; and
 - f. Roles and Responsibilities.
3. Report on the results of interviews, documents, and analysis of events and actions related to the following controversies:

- a. History, rationale, and purpose of a media policy that prohibited staff from engaging in media activities to air their concerns or grievances regarding the Commission's operations or comment on the Commission's decisions and opinions;
 - b. History, rationale, and purpose of suspending the Executive Director;
 - c. History, rationale, and purpose of requiring daily timesheets and detailing tasks performed in 6 minute increments;
 - d. History of events that resulted in Executive Director's resignation; and
 - e. History of events that resulted in Commission staff's resignation.
4. Report on the Contractor opinions and recommendations related to:
- a. What, why, how, and when the events occurred, the rationale for the Commission and administration actions, and the impact of these actions;
 - b. The cause, impact, and recommendations for resolving the strained relationships among the Commission, the Executive Director and his staff, and the administration;
 - c. The cause and impact of the restrictive media policy; the suspension of the Executive Director following an internal personnel investigation; the daily timesheets that detailed tasks performed in six minute increments; and the resignation of the Executive Director;
 - d. How to improve the Ethics Commission and its Executive Director operations and duties;
 - e. How to improve public trust;
 - f. How to improve relationships among the Commission, the Executive Director and his/her staff, and the administration; and
 - g. An Assessment of what it means to be administratively attached to the Corporation Counsel.

The written report will include an Introduction, Background, Scope and Methodology, and Findings and Recommendations.

II. REQUIRED REPORTS AND SUBMITTALS

- A. Work Program. Upon execution of the contract, the CONTRACTOR shall provide the AUDITOR a current Work Program (or provide an update of any Work Program previously submitted to the AUDITOR) governing the work to be performed. The Work Program shall include at least the following:
- 1. Statement of specific objectives;
 - 2. Scope of services;
 - 3. Standards for reporting;
 - 4. Approach and methodology;
 - 5. List of persons comprising the engagement team and their individual responsibilities; and
 - 6. Timetable for all deadlines and work phases, beginning with the date of execution of the contract and ending with the date of completion of the final report. The following dates shall be included in the timetable:
 - a. Progress payments on the contract.
 - b. Issuance of fieldwork schedule.
 - c. Issuance of discussion draft report (submitted electronically)

- d. Issuance of final draft report (submitted electronically)
- e. Issuance of final report (print-ready version submitted electronically)

The dates shown shall be the estimated dates that payments are to be made and the reports to be issued. Each payment and report shall be shown separately and listed chronologically (see sample table in Section IV.B of Appendix A: Scope of Work).

- B. Schedule of Fieldwork. The CONTRACTOR shall submit to the AUDITOR on the specified date (see progress payment schedule) a schedule of fieldwork identifying when interviews, documents and analysis are to be conducted/examined. The list of interviews, documents and analysis to be conducted/examined shall be comparable in scope to the sample list shown in Section I.B. Scope of Work for this RFP.
- C. Report Format. The format of the preliminary and final drafts of the management report shall be subject to the approval of the AUDITOR. The report will be done under the successful offeror's cover.

III. CONDUCT OF THE WORK TO BE PERFORMED

- A. Release of Findings. No representation as to the findings for the report or information related thereto shall be released by the CONTRACTOR to any agency or person except upon the prior approval of the AUDITOR.
- B. Progress Reports. The CONTRACTOR shall make oral or written progress reports to the AUDITOR at least monthly or as may be requested by the AUDITOR. The progress report shall indicate whether the project is on schedule and the significant findings or problems encountered to date.
- C. Consultation on Management and Performance Report Findings and Recommendations. Upon issuance of the final draft report, the CONTRACTOR shall be available to attend COUNCIL meetings as may be necessary to testify on or discuss the findings and recommendations contained in the management report. Further, the CONTRACTOR shall be available to participate at a COUNCIL hearing to explain the scope, meaning, methodology, and uses of the management report.
- D. Changes in Engagement Team. The CONTRACTOR shall obtain written approval from the AUDITOR for any additions, deletions, or replacements from among the project manager, the alternate, or the primary contact person assigned to the subject engagement. All replacement staff assigned to the subject engagement shall be no less qualified than the person(s) replaced.
- E. Responsibility. The CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services provided under the CONTRACT. Approval by the AUDITOR of the management report shall not in any way relieve the CONTRACTOR of responsibility for the technical accuracy of the management report.
- F. Entrance Conference. Prior to beginning fieldwork for this engagement, the CONTRACTOR shall convene an entrance conference with the Honolulu Ethics Commission's Executive Director and Legal Counsel and any other key persons for the purpose of identifying

appropriate contact persons, coordinating fieldwork, clarifying the report scope, and otherwise expediting the report process. The CONTRACTOR shall notify the AUDITOR of the meeting at least five (5) days prior to the meeting date.

- G. Independence. The CONTRACTOR shall obtain the prior written approval of the AUDITOR before the CONTRACTOR's firm or engagement team provides auditing, accounting, or consulting services to any executive agency of the CITY. Approval of such services, which shall not be unreasonably withheld, shall be subject to the CONTRACTOR providing adequate written assurance that the CONTRACTOR will meet standards relating to independence (i.e., no personal or external impairments to independence, organizational independence, and independent attitude and appearance), as well as the timely issuance of the report.
- H. Confidentiality. All information obtained, reviewed, and gathered in relation to this engagement shall be deemed confidential and may not be released to any party without the prior written approval of the AUDITOR.

IV. BUDGET AND PAYMENT

- A. Budget. The total sum to be allocated for this engagement shall be limited to the extent of funds appropriated for this purpose and the continued availability of such funds during the course of the engagement.
- B. Sample Work and Payment Schedule. Payment for services shall be in increments. Unless otherwise specified and agreed upon by the CONTRACTOR and the AUDITOR, the timing and amount of each progress payment shall be according to the schedule below. Each event deadline shall be based upon satisfactory completion of the described action or product. The timetable set forth below may be modified by the AUDITOR upon the finding that such modifications would not jeopardize the successful conclusion of the engagement. Include this table in Appendix F, Contractor's Proposal.

Event	Date	Progress Payment %	Amount
Completion of work program	Upon execution of contract	5	\$ _____
Preparation of fieldwork schedule	TBD	5	\$ _____
Completion of fieldwork	TBD	20	\$ _____
Completion of draft management report	TBD	35	\$ _____
Completion of final management report	December 15, 2017	35	\$ _____
	TOTAL	100	\$ _____

C. Form of Requests. Each request for progress payment shall be accompanied by a certified statement of the total hours actually worked and the costs actually incurred for the increment period. Such costs are to be itemized as follows:

1. Staff, including for each member of the engagement team, the hours worked, fee rates and amount paid;
2. Supplies;
3. Travel;
4. Report printing; and
5. Other costs not otherwise allocated to the above, such as State excise tax.

This page intentionally left blank.

APPENDIX B: TERM / SCHEDULE OF WORK

Upon execution of the contract, the CONTRACTOR shall provide the AUDITOR a current Work Program governing the work to be performed by the CONTRACTOR. See Section II-A (Work Program) of Appendix A: Scope of Work. The final report shall be completed and delivered to the Office of the City Auditor by December 15, 2017.

This page intentionally left blank.

THE FOLLOWING PAGES SHALL BE DETACHED FROM THE SOLICITATION DOCUMENT AND SUBMITTED WITH THE OFFEROR'S PROPOSAL.

APPENDIX C: PRICING/CERTIFICATIONS

Name of Offeror (Legal Name)

City Auditor
City and County of Honolulu
Kapolei, Hawaii 96707

SOLICITATION NO. RFP-OCA-1600001

COMPREHENSIVE MANAGEMENT AND PERFORMANCE REPORT OF THE HONOLULU ETHICS COMMISSION TOTAL PRICE PROPOSAL: \$_____

The undersigned represents: **(Check one only)**

A **Hawaii business** incorporated or organized under the laws of the State of Hawaii;

OR

A **Non-Hawaii business** not incorporated or organized under the laws of the State of Hawaii.

State of Incorporation or Organization: _____

Offeror is: Sole Proprietor; Partnership; Corporation; Joint Venture;

Other: _____

Respectfully submitted,

Name of Offeror

Signature

Print Name and Title of Above

Business address
(Street Address)

City, State, Zip Code:

Business mailing address
(If other than address above)

City, State, Zip Code:

Payment mailing address
(If other than address above)

City, State, Zip Code:

Business Telephone No:

Business Cellular No:

Business Fax No.:

Business E-Mail Address:

Person to Contact if Awarded:

Last 4 numbers of Federal Identification No.: XX-XXX

- Or - Last 4 numbers of Social Security No. if Sole Proprietor: XXX-XX-

**CERTIFICATE OF ACCEPTANCE
OF SOLICITATION REQUIREMENTS**

It is understood and agreed that the undersigned acknowledges the following:

1. The Offeror has read this solicitation document including any addenda, in its entirety;
2. The Offeror understands and agrees to furnish, deliver, and perform the requirements of the solicitation in strict compliance with the solicitation document as amended, including any specifications, plans, and scope of work descriptions, without any exceptions, if awarded a contract;
3. The Offeror understands and agrees that no substitution or alternate brands may be furnished without the **written approval** of the City;
4. The Offeror understands that the Contractor shall resolve any noncompliance with the requirements of the awarded contract at the Contractor's own expense;
5. The Offeror will make all modifications or customizations to the brand and model being offered as necessary to meet all specifications, at no additional cost. Offeror guarantees that all modifications or customizations done to meet specifications shall not affect the quality or operation of the product; and
6. The Offeror understands that **FAILURE TO MEET CONTRACT REQUIREMENTS WILL CONSTITUTE A BREACH OF CONTRACT THAT MAY RESULT IN SUSPENSION OR DEBARMENT, AND THE EXERCISE OF RIGHTS AND REMEDIES AS PROVIDED BY LAW.** Contract requirements include any specifications, plans, and scope of work descriptions;
7. The undersigned is an authorized representative of the Offeror and can legally obligate the Offeror thereto.

Offeror: _____

Signature: _____

Title: _____

Date: _____

END OF APPENDIX C.

This page intentionally left blank.

APPENDIX D: SPECIAL PROVISIONS

1. DEFINITIONS

The following terms used in this solicitation document and the Contract, unless the context requires otherwise, shall have the following meaning:

“Auditor” means the City Auditor.

“City” means the City and County of Honolulu.

“Chief procurement officer” means the chair of the City Council as provided in section 103D-203, HRS, or the officer’s designee. [HAR 3-125-2]

“Contractor” means the successful offeror whose proposal is selected for award of a contract pursuant to this RFP.

“OCA” means the Office of the City Auditor - City and County of Honolulu.

2. BID SECURITY

Bid security is not required for this solicitation.

3. CHAPTER 5 – CONSTRUCTION CONTRACT PROVISIONS SUPPLEMENT

Chapter 5 of the General Terms and Conditions do not apply to this solicitation.

4. INSURANCE

The Offeror shall, at its own cost and expense, procure and maintain insurance coverages as provided in Section 4.1 of the General Terms and Conditions (02/01/15).

5. REQUEST FOR CLARIFICATION

Written request for clarifications shall be submitted by facsimile transmission to (808) 768-3135 or e-mailed to oca@honolulu.gov or mailed hardcopy to:

Office of the City Auditor
1001 Kamokila Boulevard, Suite 216
Kapolei, Hawaii 96707

This page intentionally left blank.

APPENDIX E: GENERAL TERMS AND CONDITIONS

General Terms and Conditions for the City and County of Honolulu dated 2/1/15

The General Terms and Conditions (GTC) for the City and County of Honolulu dated 2/1/15 shall apply. If not physically attached, it shall be incorporated by reference herein and referred to as the "General Conditions." Copies may be obtained online at www.honolulu.gov/pur ; click on the link titled: " Instructions, Terms & Conditions".

This page intentionally left blank.

**THE FOLLOWING PAGES SHALL BE DETACHED FROM THE SOLICITATION DOCUMENT AND
SUBMITTED WITH THE OFFEROR'S PROPOSAL.**

CITY AND COUNTY OF HONOLULU

APPENDIX F: CONTRACTOR'S PROPOSAL

1. Non-Disclosure of Proprietary information.

The City recognizes that a proposal may contain technical, financial, or other information whose public disclosure would cause substantial injury to an Offeror's competitive position. The Offeror should specifically identify those pages of the proposal that contain such information by marking the applicable pages "CONFIDENTIAL" on every copy submitted. The City assumes no liability for disclosure or use of unmarked information for any purpose.

2. Proposal Content.

Offeror shall attach the following items to this Appendix F: Contractor's Proposal.

- A. Statement of Qualifications
- B. Work and Payment Schedule (including proposed dates for major work elements)

PROPOSAL NARRATIVE - REQUIRED INFORMATION

PRICE (30 POINTS)

EXPERIENCE IN PERFORMING SIMILAR ASSESSMENTS OF GOVERNMENTAL UNITS. (30 POINTS)

- 1) Background and experience of the proposing firm. – provide description and background information of the firm demonstrating that the firm is qualified to perform the services requested. Information should include, but not be limited to:
 - a) State the name of the firm, the address of the principal place of business, and age of the firm.
 - b) Describe pertinent and unique resources of the firm that the project team may utilize for the proposed work (i.e. other member of the firm with specialized expertise, national/international offices, expert panels and resources, databases, etc.).
 - c) Brief description of the quality control system of the firm.
 - d) Copy of the latest external quality review of the firm and statement whether that review included a review of specific governmental engagements.
 - e) Disclose whether any federal or state desk or field reviews have been performed on any of the firm's governmental audits during the past three (3) years.
 - f) Provide any information on any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.
 - g) Copies of the latest audit or management reports of a governmental entity.

ASSESSMENT OF FIRM'S RESOURCES, FINANCIAL STABILITY, AND ADEQUATE, QUALIFIED STAFFING TO MEET THE TIMETABLES AND COMPLETE THE PROJECT: (20 POINTS)

- 2) Proposed Engagement Team – the firm will be evaluated for the proposed engagement team's qualifications to perform the required work.
 - a) State the total number of professionals on the firm's proposed engagement team, and each person's name and credentials to perform similar work for governmental entities.
 - b) Specify the proposed scope of work and number of work hours for the engagement and total number of hours to be worked by all team members.

- 3) Proposed Engagement Team Members
 - a) Identify a person who shall serve as Project Manager in charge of coordinating the engagement and list qualifications to serve in that capacity.
 - b) Identify a person who shall serve as designated alternate to the Project Manager and list qualifications to serve in that capacity.
 - c) Identify a person who shall serve as the primary contact person with the City. Person may be the Project Manager or designated alternate but if another person is selected, that person's qualifications to serve in this capacity shall be listed.
 - d) The firm's description of the qualifications of the proposed Project Manager's and alternate's experience shall include a listing of personally completed or directly supervised engagements. Include the following information:
 - i) For each of the qualifying engagements, disclose the report titles, names of reviewed agencies and reference contact information, report date, the number of professionals in the engagement work team, and whether the report was personally completed by the subject person, or completed under the direct supervision of the subject person.
 - ii) For evaluation purposes only, copies of qualifying reports shall be provided for review with the submitted proposal. Reports will be used solely for verification of the firm's qualifications and returned to proposers upon completion of the review.
 - e) For each person who shall serve as an engagement team member, list the role assigned and qualifications to serve in the capacity.

FIRM'S INDEPENDENCE, OBJECTIVITY, AND ABILITY TO COMPLETE THE WORK IN A TIMELY MANNER (20 POINTS)

- 4) Financial Stability of the Proposing Firm
 - a) The firm must provide an affirmative statement that the firm has nothing in its background or financial circumstances that would reasonably be perceived as a threat to its financial stability during the term of the proposed work or to its ability to complete the proposed work.
 - b) The firm must provide an affirmative statement that the firm meets financial stability requirements and provide supporting information.
 - c) The firm must provide a credit reference(s).

- 5) Identification of Any Potential Conflicts of Interest
 - a) The firm must provide an affirmative statement that it has not been engaged in work contracted with the City Administration within the last three (3) years that would

reasonably be perceived to impair its objectivity and independence during the engagement.

- b) The firm shall list all work with the City for the last three (3) years to the present and identify the City contracting agency.
- c) If a potential conflict of interest can be construed, disclose the nature of the potential conflict and indicate how it will be minimized to safeguard the independence of the management report.
- d) The firm shall provide an affirmative statement if there are no potential conflicts of interest.

6) Ability to Complete Work in a Timely Manner.

The firm must provide a preliminary work plan addressing the firm's proposed approach for the following:

- a) Scope of Work – (Specified in Appendix A).
- b) All work elements are addressed and resources necessary to complete the scope of work.

Proposals should address all evaluation criteria and should demonstrate the offeror's ability to complete the scope of work, as specified in Appendix A, within the given timeframe.

NOTE TO OFFERORS: At the discretion of the City Auditor, a bidding firm may be required to submit additional evidence or to submit answers, under oath, to questions contained in a questionnaire in order to obtain a more complete statement of the qualifications of the firm.

This page intentionally left blank.