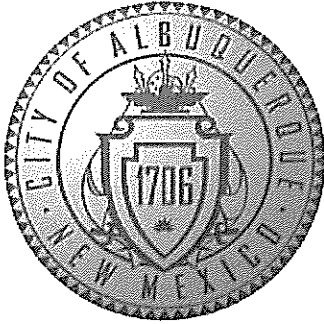


EC-26-146




**CITY OF ALBUQUERQUE**  
Albuquerque, New Mexico  
Office of the Mayor

Mayor Timothy M. Keller

**INTER-OFFICE MEMORANDUM**

DATE: 5/7/2026 | 7:34 PM MDT

**TO:** Klarissa J. Peña, President, City Council

**FROM:** Timothy M. Keller, Mayor 

**SUBJECT:** Recommendation of Award for Audit Services, RFP-2025-750-DFA-KO

The Department of Finance and Administrative Services, Purchasing Division, issued the subject solicitation in conjunction with the Accounting Division to develop a Request for Proposal (RFP) for Audit Services.

The solicitation was posted February 10<sup>th</sup>, 2026 and was advertised on social media.

The Ad Hoc Evaluation Committee evaluated and scored the responses in accordance with the evaluation criteria published in the RFP and recommends awarding a contract to:

- CLA (CliftonLarsonAllen LLP)

After thoroughly reviewing all of the proposals, the vendor listed above was determined to have met all required criteria, was responsive, qualified, and recommended for award.

I concur with this recommendation.

The Department of Finance and Administrative Services will manage this contract.

Recommendation of Award for Audit Services, RFP-2025-750-DFA-KO

Approved:

Approved as to Legal Form:

Initial  
JH

Initial  
JH

*Samantha Sengel* 5/11/26  
Samantha Sengel, EdD Date  
Chief Administrative Officer

DocuSigned by:  
*Lauren Keefe* 5/7/2026 | 7:34 PM MDT  
1A21D96D32C74EE...  
Date  
City Attorney

Recommended:

Signed by:  
*Donna Sandoval* 5/6/2026 | 4:07 PM MDT  
08F4D687C3CA4E2...  
Date  
Director

## **Cover Analysis**

### **1. What is it?**

This legislation is a request for an approval of the new audit services contract with CliftonLarsonAllen LLP.

### **2. What will this piece of legislation do?**

This legislation will authorize the City to begin a new contract with CliftonLarsonAllen for a new three-year audit cycle.

### **3. Why is this project needed?**

This approval is needed to begin the annual financial statement audit as required by the New Mexico State Audit Rule 2.2.2 NMAC.

### **4. How much will it cost and what is the funding source?**

The cost of the audit services for FY26 is included in the approved FY27 budget. The request will cost approximately \$599,000. The funding source is the General Fund in DFAS, Accounting Division, with approximately 40% charged back to enterprise departments.

### **5. Is there a revenue source associated with this contract? If so, what level of income is projected?**

There is no revenue source associated with this contract.

### **6. What will happen if the project is not approved?**

If this legislation is not approved, the City will be out of compliance with the New Mexico State Audit Rule 2.2.2 NMAC requirement for annual audit services.

### **7. Is this service already provided by another entity?**

No. CliftonLarsonAllen LLP will be continuing our audit services after being selected from the competitive RFP award process.

**FISCAL IMPACT ANALYSIS**

TITLE: Audit Services-RFP-2025-750-DFA-KO

R: O:  
 FUND:110  
 DEPT: 2517000

- (x) No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- [ ] (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

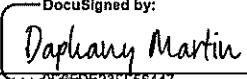
	2026	Fiscal Years 2027	2028	Total
Base Salary/Wages				-
Fringe Benefits at				-
Subtotal Personnel	-	-	-	-
Operating Expenses				-
Property				-
Indirect Costs	-	-	-	-
<b>Total Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
[X] Estimated revenues not affected				
[ ] Estimated revenue impact				
Revenue from program				0
Amount of Grant		-	-	
City Cash Match				
City Inkind Match				
City IDOH				
<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

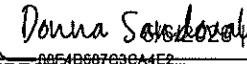
These estimates do not include any adjustment for inflation.  
 \* Range if not easily quantifiable.


Number of Positions created

COMMENTS: The cost of audit services are included in the FY27 proposed budget.

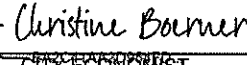
COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:  
 DocuSigned by:  
  
 FISCAL ANALYST

APPROVED:  
 Signed by:  
  
 DIRECTOR

REVIEWED BY:  
 DocuSigned by:  
  
 EXECUTIVE BUDGET ANALYST

Signed by:  
  
 BUDGET OFFICER

Signed by:  
  
 CITY ECONOMIST



# City of Albuquerque

## Department of Finance and Administrative Services

Timothy M. Keller, Mayor

### Interoffice Memorandum

Date: 3/30/2026 | 4:38 PM MDT

**TO:** Dr. Samantha Sengel, Chief Administrative Officer  
**FROM:** Donna Sandoval, Director of Finance and Administrative Services  
**SUBJECT:** **Recommendation of Award –**  
RFP Number: RFP-2025-750-DFA-KO  
RFP Name: Audit Services

Initial  
DS

The Department of Finance and Administrative Services, Purchasing Division, issued the subject solicitation in conjunction with the Accounting Division and developed an RFP for Audit Services.

The solicitation was posted on the Purchasing website. The number of responses received for evaluation were five (5).

The Ad Hoc Evaluation Committee evaluated and scored the responses in accordance with the evaluation criteria published in the RFP and recommends awarding a contract to CLA (CliftonLarsonAllen LLP).

I concur with this recommendation. Listed below are the composite scores for the responses received:

COMPANY NAME	SCORE
CLA (CliftonLarsonAllen LLP)	885.75
Crowe LLP	748.25
Macias Gini & O'Connell LLP	672.75
Weaver and Tidwell, LLP	564
Mauldin & Jenkins, LLC	550

The Department that will be managing this contract is the Department of Administrative Services

Approved:

DocuSigned by:  
*Matthew Whelan* 4/14/2026 | 8:21 AM MDT  
Dr. Samantha Sengel (Date)  
Chief Administrative Officer

Attachment: Scoring Summary

**RFP-2025-750-DFA-KO - Audit Services**  
**Scoring Summary**

**Active Submissions**

	Total	I agree to the City of Albuquerque's terms and conditions.	I agree to obtain and uphold all required insurances to do business with the City of Albuquerque.	Signed/completed Pay Equity Form	Technical Proposal	Cost Proposal	A - Technical Proposal	A-1 - General approach and plans.	A-2 - Details plans to meet objectives	A-3 - Experience and qualifications.	A-4 - Project management	A-5 - Past performance	B - Cost Proposal	B-1 - Cost Proposal
Supplier	/ 1,000.00 pts	Pass/Fail	Pass/Fail	Pass/Fail	Pass/Fail	Pass/Fail	/ 900 pts	/ 100 pts	/ 200 pts	/ 300 pts	/ 200 pts	/ 100 pts	/ 100 pts	/ 100 pts
CLA (CliftonLarsonAllen LLP)	885.75	Pass	Pass	Pass	Pass	Pass	798.75	88.75	176.25	268.75	175	90	87	87
Crowe LLP	748.25	Fail	Pass	Pass	Pass	Pass	651.25	81.25	153.75	207.5	137.5	71.25	97	97
Macias Gini & O'Connell LLP	672.75	Pass	Pass	Pass	Pass	Pass	578.75	65	127.5	193.75	122.5	70	94	94
Weaver and Tidwell, L.L.P.	564	Pass	Pass	Pass	Pass	Pass	485	50	106.25	171.25	95	62.5	79	79
Mauldin & Jenkins, LLC	550	Pass	Pass	Pass	Pass	Pass	450	55	96.25	153.75	82.5	62.5	100	100

# City of Albuquerque

## Request for Proposals

**Solicitation Number: RFP-2025-750-DFA-KO**

**Audit Services**

**02/10/2026**



**Deadline for Receipt of Proposals: 03/12/2026: 4:00 p.m. (Mountain Time)**

**The City eProcurement System will not allow Proposals to be submitted after this date and time.**

**City of Albuquerque  
Department of Finance and Administrative Services  
Purchasing Division  
V2024.07.10 JLB**

RFP-2025-750-DFA-KO, Audit Services

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## INTRODUCTION

The City of Albuquerque (City) is requesting responses for the services outlined in this Request for Proposals (RFP) from qualified Certified Public Accounting firms to audit and express an opinion on the City's financial statements (Annual Comprehensive Financial Report- "ACFR") for the fiscal year ending June 30, 2026 with the option of auditing its financial statements for an additional two years. These audits are to be performed in accordance with the provisions contained in this Request for Proposals.

To meet the requirements of this RFP, the audit shall be performed in accordance with the prevailing auditing standards generally accepted in the United States of America, the prevailing standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, and the prevailing Single Audit requirements of the U.S. Office of Management and Budget (OMB) 2 CFR Part 200 Subpart F, and the provisions of 2.2.2 NMAC Requirements for Contracting and Conducting Audits of Agencies (New Mexico State Auditor Rule).

The City was founded in 1706, chartered as a town in 1885, and organized under territorial law as a city in 1891. The City became a charter city in 1917, and the voters approved a home rule amendment to the charter in 1971. In 1974, the electorate voted to establish a mayor-council form of government; the City Council consists of nine council members elected from districts.

The City has an estimated population of 560,274 as of 2023 and ranks 32nd in population of the nation's cities and is the largest city in New Mexico with roughly one-fourth of the state's population. The City's fiscal year begins on July 1 and ends on June 30, with an annual operating budget of approximately 1.5 billion dollars. The City is organized into twenty-eight different departments and has a bi-weekly payroll of approximately 15 million dollars, with 7000 employees on average. The City's accounting and grant management functions are managed by department fiscal staff. The City's financial, grant reporting, payroll processing, vendor payments, and billing are centralized in the Department of Finance and Administrative Services (DFAS) Accounting Division.

For fiscal year 2026, the City of Albuquerque Foundation will remain a component unit of the City for financial reporting purposes, and will be presented in the City's financial statements.

**PART 1**  
**INSTRUCTIONS TO OFFERORS**

**1.1 RFP Number and Title:** RFP-2025-750-DFA-KO, Audit Services

**1.2 Proposal Due Date:** 03/12/2026 by 4:00 PM (Local Time)

The time and date Proposals are due shall be strictly observed.

**1.2.1 Questions:** All questions shall be submitted in written format in the City's eProcurement system prior to the close date for questions and answers.

**1.3 Purchasing Division:** This Request for Proposals ("RFP") is issued on behalf of the City of Albuquerque by its Purchasing Division, which is the sole point of contact during the entire procurement process.

**1.4 Authority:** Chapter 5, Article 5 of the Revised Ordinances of the City of Albuquerque, 1994, ("Public Purchases Ordinance"). The City Council, pursuant to Article 1 of the Charter of the City of Albuquerque and Article X, Section 6 of the Constitution of New Mexico, has enacted this Public Purchases Ordinance as authorized by such provisions and for the purpose of providing maximum local self-government. To that end, it is intended that this Public Purchases Ordinance shall govern all purchasing transactions of the City and shall serve to exempt the City from all provisions of the New Mexico Procurement Code, as provided in Section 13-1-98K, NMSA 1978.

**1.5 Acceptance of Proposal:** Acceptance of Proposal is contingent upon Offeror's certification and agreement by submittal of its Proposal, to comply and act in accordance with all provisions of the following:

**1.5.1 City Public Purchases Ordinance**

**1.5.2 City Purchasing Rules and Regulations:** These Rules and Regulations ("Regulations") are written to clarify and implement the provisions of the Public Purchases Ordinance. These Regulations establish policies, procedures, and guidelines relating to the procurement, management, control, and disposal of goods, services, and construction, as applicable, under the authority of the Ordinance.

**1.5.3 Civil Rights Compliance:** Acceptance of Proposal is contingent upon the Offeror's certification and agreement by submittal of its Proposal, to comply and act in accordance with all provisions of the Albuquerque Human Rights Ordinance, the New Mexico Human Rights Act, Title VII of the U.S. Civil Rights Act of 1964, as amended, and all federal statutes and executive orders, New Mexico statutes and City of Albuquerque ordinances and resolutions relating to the enforcement of civil rights and affirmative action. Questions regarding civil rights or affirmative action compliance requirements should be directed to the City of Albuquerque Human Rights Office.

**1.5.4 Americans with Disabilities Act Compliance:** The Offeror certifies and agrees, by submittal of its Proposal, to comply and act in accordance with all applicable provisions of the Americans With Disabilities Act of 1990 and federal regulations promulgated thereunder.

**1.5.5 Insurance and Bonding Compliance:** Acceptance of Proposal is contingent upon  
RFP-2025-750-DFA-KO, Audit Services

Offeror's ability to comply with the insurance requirements as stated herein. Please include a certificate or statement of compliance in your Proposal and bonds as required.

#### **1.5.6 Ethics:**

**1.5.6.1 Fair Dealing.** The Offeror warrants that its Proposal is submitted and entered into without collusion on the part of the Offeror with any person or firm, without fraud and in good faith. Offeror also warrants that no gratuities, in the form of entertainment, gifts or otherwise, were, or will be offered or given by the Offeror, or any agent or representative of the Offeror to any officer or employee of the City with a view toward securing a recommendation of award or subsequent contract or for securing more favorable treatment with respect to making a recommendation of award.

**1.5.6.2 Conflict of Interest.** The Offeror warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under the contract resulting from this RFP. The Offeror also warrants that, to the best of its knowledge, no officer, agent or employee of the City who shall participate in any decision relating to this RFP and the resulting contract, currently has, or will have in the future, a personal or pecuniary interest in the Offeror's business.

**1.5.7 Participation/Offeror Preparation:** The Offeror may not use the consultation or assistance of any person, firm company who has participated in whole or in part in the writing of these specifications or the Scope of Services, for the preparation of its Proposal or in the management of its business if awarded the contract resulting from this RFP.

**1.5.8 Debarment or Ineligibility Compliance:** By submitting its Proposal in response to this RFP, the Offeror certifies that (i) it has not been debarred or otherwise found ineligible to receive funds by any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States; and (ii) should any notice of debarment, suspension, ineligibility or exclusion be received by the Offeror, the Offeror will notify the City immediately.

Any Proposal received from an Offeror that is, at the time of submitting its Proposal or prior to receipt of award of a contract, debarred by or otherwise ineligible to receive funds from any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States, shall be rejected.

Upon receipt of notice of debarment of an Offeror awarded a contract as a result of this RFP ("Contractor"), or other ineligibility of the Contractor to receive funds from any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States, the City shall have the right to cancel the contract with the Contractor resulting from this RFP for cause in accordance with the terms of said contract.

**1.5.9 Goods Produced Under Decent Working Conditions:** It is the policy of the City not to purchase, lease, or rent goods for use or for resale at City owned enterprises that were produced under sweatshop conditions. The Offeror certifies, by submittal of its Proposal in response to this solicitation, that the goods offered to the City were produced under decent working

conditions. The City defines “under decent working conditions” as production in a factory in which child labor and forced labor are not employed; in which adequate wages and benefits are paid to workers; in which workers are not required to work more than 48 hours per week (or less if a shorter workweek applies); in which employees are free from physical, sexual or verbal harassment; and in which employees can speak freely about working conditions and can participate in and form unions. [*Council Bill No. M-8, Enactment No. 9-1998*]

**1.5.10 Graffiti Free:** When required, the Contractor will be required to furnish equipment, facilities, or other items required to complete these services, that are graffiti-free. Failure of Contractor to comply with this requirement may result in cancellation of the contract resulting from this RFP.

**1.6 City Contact:** The sole point of contact for this RFP is the City of Albuquerque Purchasing Division. Questions regarding this RFP should be directed to the following Purchasing representative unless otherwise specified in the solicitation. The City Contact will communicate with Offerors through its e-procurement system, Bonfire. Offerors will receive e-mail notifications from Bonfire to the e-mail that Offeror included in its Bonfire registration. Offerors are responsible for monitoring any communications sent through Bonfire and responding to any requests for information or directives within stated deadlines. Offerors who fail to abide by this instruction may be deemed nonresponsive.

- Kathleen Oney, Senior Buyer, Department of Finance and Administrative Services, Purchasing Division
- Phone: (505) 768-3377 or E-Mail: koney@cabq.gov
- Post Office Box 1293, Albuquerque, New Mexico 87103

**1.7 Contract Management:** The contract resulting from this RFP will be managed the Department of Finance Purchasing and Accounting divisions.

**1.8 Clarification:** Any explanation desired by an Offeror regarding the meaning or interpretation of this RFP must be requested in writing not less than ten (10) working days prior to the deadline for the receipt of Proposals to allow sufficient time for a reply to reach all Offerors before the submission of their Proposals. No extension of time will be granted based on submission of inquiries subsequent to the required date nor will such inquiries be answered. All inquiries must be directed to the Purchasing Division as stated herein and must be submitted through the City’s eProcurement system Bonfire. **The City will not respond to questions that are submitted by any other means than electronically through the City’s eProcurement system.** Oral explanations or instructions given before the award of the contract or at any time will not be binding. Purchasing shall prepare answers to questions in the form of Addenda to this RFP and shall post all such Addenda to the online eProcurement System.

**1.9 Submission of Proposals.** The Offeror’s Proposal must be submitted **electronically** through the eProcurement system pursuant to the following requirements:

**1.9.1 Electronic Copy.** Submit your complete Proposal including all forms, attachments, exhibits, Technical Proposal, Cost Proposal, etc. using the eProcurement System at <https://cabq.bonfirehub.com/portal/?tab=openOpportunities>. Please allow a minimum of two (2) business days to submit your proposal. If you do not have a username and password, please register

RFP-2025-750-DFA-KO, Audit Services

as this is the only method to submit electronically on the Bonfire portal. Please make sure to register on the system in order to receive notices and submit a response to a solicitation. For assistance, please contact [support@gobonfire.com](mailto:support@gobonfire.com) or 1-800-354-8010. **Failure to submit your proposal electronically through the City's eProcurement system shall result in your proposal being deemed nonresponsive.**

**1.9.2 Format.** Each file uploaded to the eProcurement System shall be in single PDF format unless otherwise indicated. The City's preferred format is Optical Character Recognition (OCR) searchable PDF format. Do not encrypt files and do not password protect the documents submitted.

**1.9.3 ALL PROPOSALS MUST BE RECEIVED BY THE CITY PURCHASING DIVISION AS SPECIFIED HEREIN. IF YOU FAIL TO COMPLY WITH THE SUBMISSION REQUIREMENTS IN THIS SECTION 1.9, THE CITY SHALL DEEM YOUR PROPOSAL NONRESPONSIVE.**

**1.9.4 No other methods of Proposal delivery.** Neither telephone, facsimile, nor telegraphic Proposals shall be accepted.

**1.9.5 Modification.** Proposals may be modified or withdrawn only by written notice, provided such notice is received prior to the Proposal Due Date.

**1.9.6 Receipt of Proposals.** The only acceptable evidence to establish the time of receipt of Proposals by City Purchasing Office is the time-date stamp of the eProcurement System.

**1.9.7 Acknowledgment of Addenda to the Request for Proposals.** Receipt of Addenda to this RFP by an Offeror must be acknowledged in the City's eProcurement system. Failure to acknowledge an Addendum may result in your response being deemed non-responsive.

**1.10 Modifications to Scope of Services:** In the event that sufficient funds do not become available to complete each task in the Scope of Services, the Scope of Services may be amended, based upon the cost breakdown required in the Cost Proposal.

**1.11 Required Contract Terms:** The Required Contract Terms can be accessed at this link <https://www.cabq.gov/dfa/purchasing-division/vendor-services/terms-and-conditions>, click on "Request for Proposals Required Contract Terms". The Offeror certifies that it accepts the Required Contract Terms, or has uploaded its exceptions to the Required Contract Terms in the City's e-Procurement system, under "Requested Information" "Exceptions to Section 1.11 Required Contract Terms." Any exceptions shall be identified by the RFP Section, Subsection, and must state the specific exception the Offeror has, as well as any alternative language. The City's receipt of exceptions in a response is not an acceptance of any requested changes to the Required Contract Terms. The Required Contract Terms may differ from the terms in the final contract awarded under this RFP.

**1.12 Contract Term:** The contract resulting from this solicitation is anticipated to have a term of one (1) year with two (2) possible extensions of one (1) year terms each.

**1.13 Evaluation Period:** The City reserves the right to analyze, examine and interpret any Proposal for a period of ninety (90) days after the hour and date specified for the receipt of Proposals. The City reserves the right to extend the evaluation period if it feels, in its sole discretion, such an extension would be in the best interest of the City.

**1.14 Evaluation Assistance:** The City, in evaluating Proposals, reserves the right to use any assistance deemed advisable, including City contractors and consultants.

**1.15 Rejection and Waiver:** The City reserves the right to reject any or all Proposals and to waive informalities and minor irregularities in Proposals received.

**1.16 Award of Contract:**

**1.16.1 When Award Occurs:** Award of contract occurs when a Purchase Order is issued or other evidence of acceptance by the City is provided to the Offeror. A Recommendation of Award does not constitute award of contract.

**1.16.2 Award:** If a contract is awarded, it shall be awarded to the responsive and responsible Offeror whose Proposal conforming to this RFP will be most advantageous to the City as set forth in the Evaluation Criteria.

**1.17 Cancellation:** This RFP may be canceled for any reasons and any and all Proposals may be rejected in whole or in part when it is in the best interests of the City.

**1.18 Negotiations:** Negotiations may be conducted with the Offeror(s) recommended for award of contract.

**1.19 City-Furnished Property:** No material, labor, or facilities will be furnished by the City unless otherwise provided for in this RFP.

**1.20 Public Records:**

**1.20.1** The Purchasing Division's procurement file and any documents relating to this RFP, including the Proposals submitted by Offerors, shall be open to public inspection in accordance with applicable law after the recommendation of award of a contract has been approved by the Mayor or the Mayor's designee.

**1.20.2** An Offeror who chooses to submit material they consider a "Trade Secret" must do so in a segregated file clearly designated as containing trade secrets both in the file name and within the contents of the file itself. These segregated files are to be used by the City for reference only. An Offeror's failure to segregate such materials constitutes a failure to reasonably, under the circumstances, maintain the materials' secrecy and Offeror indemnifies and holds the City harmless for any and all liability resulting from the disclosure of any materials not segregated as described above.

**1.20.3** If an Offeror submits with a proposal material required by law to be kept confidential, the Offeror must segregate such material in a separate file. Such a file should be clearly designated as "Legally Confidential" in both the file name and within the contents of the file. The contents of the file must include a description and citation to the legal basis for why the material must be kept confidential. Failure to segregate the material and describe the legal basis for why it is to be kept confidential may result in the information being disclosed. Designating the entire proposal confidential is not acceptable without providing the legal basis and may result in the information being disclosed. Offeror indemnifies and holds the City harmless for any and all liability resulting from such disclosure resulting from information not segregated as described above.

**1.20.4 Pricing, makes and models or catalog numbers of items offered, delivery terms, and terms of payment shall not be designated as trade secrets or required to be kept confidential by law.**

**1.20.5** The City will endeavor to restrict the release of material segregated and designated as “Trade Secret” or “Legally Confidential to only those individuals involved in the review and analysis of the Proposals, and to any other party as required by law or court order. Under the New Mexico Inspection of Public Records Act (Sections 14-2-1 et seq, NMSA 1978) (“Act”) the City may redact trade secrets and other material required to be kept confidential by law, but may not redact proprietary or confidential information. Any Proprietary or Confidential Data provided as part of a Proposal is subject to public inspection under the Act. **Notwithstanding any provision of this RFP, the City shall not be responsible or liable to the Offeror for any disclosure of records required by the Act or an order of a court or other tribunal with jurisdiction over the City.**

**1.21 Procurement Preferences:** A Pay Equity Preference as provided in Section 5-5-31 R.O.A. 1994 (as amended by C/S O-17-33) and the State Preferences as provided in 13-1-21 NMSA 1978 are applicable to this solicitation. To request the application of a preference, as applicable, Offeror shall submit with its Proposal a City Pay Equity Preference Form or the New Mexico State Certification for the requested preference.

**1.22 Request for Proposals Protest Process:**

**1.22.1 RFP Documents:** If the protest concerns the specifications for the RFP or other matters pertaining to the solicitation documents, the protest must be filed with the Chief Procurement Officer no later than 5:00 p.m., ten (10) business days prior to the deadline for the receipt of Proposals.

**1.22.2 Recommendation of Award:** If the protest concerns the Recommendation of Award, the protest must be filed with the Chief Procurement Officer no later than 5:00 p.m. of the tenth (10<sup>th</sup>) business day after the receipt of notice of the Recommendation of Award.

**1.22.3 Timely Protests:** Protests must be received by the Chief Procurement Officer prior to the appropriate deadline as set out herein, or they will be rejected. The Chief Procurement Officer may waive the deadline for good cause, including a delay caused by the fault of the City. Late delivery by the U.S. Postal Service or other carrier shall not be considered good cause.

**1.22.4 How to File a Protest:** Any Offeror who is aggrieved in connection with a competitive solicitation or recommendation of award of a contract may protest to the City Chief Procurement Officer. The protest shall be addressed to the Chief Procurement Officer, must be submitted in written form and must be legible. Protests may be electronically delivered via email or mailed. Facsimile, telephonic, telegraphic or any other type of electronic protests will not be accepted.

**1.22.5 Required Information:** The protest shall contain at a minimum the following:

**1.22.5.1** The name and address of the protesting party;

**1.22.5.2** The number of the competitive solicitation;

**1.22.5.3** A clear statement of the reason(s) for the protest detailing the provisions believed to have been violated;

**1.22.5.4** Details concerning the facts, which support the protest;

**1.22.5.5** Attachments of any written evidence available to substantiate the claims of the protest; and

**1.22.5.6** A statement specifying the ruling requested.

**1.22.6 Delivery of Protests:**

**1.22.6.1 By Mail:** Protests may be mailed in an envelope marked “PROTEST” with the solicitation number. Protests which are mailed should be addressed as follows:

Purchasing Administrator  
City of Albuquerque, Purchasing Division  
P.O. Box 1293  
Albuquerque, NM 87103  
PROTEST, RFP Number

**1.22.6.2 By Electronic Mail:** Protests may be emailed to:

Gerrie Becker, Purchasing Administrator  
[koney@cabq.gov](mailto:koney@cabq.gov)

The message should clearly indicate “PROTEST” and the RFP number in the subject line.

**1.22.7 Protest Response by Purchasing Administrator:** The Purchasing Administrator will, after evaluation of a protest, issue a response. Only the issues outlined in the written protest will be considered by the Purchasing Administrator.

**1.22.8 Protest Hearing:** If a hearing is requested, the request must be included in the protest and received within the time limit. Only the issues outlined in the protest will be considered by the Purchasing Administrator, or may be raised at a protest hearing. The granting of a hearing shall be at the discretion of the Purchasing Administrator following review of the request.

**1.23 Insurance:**

**1.23.1 General Conditions:** The City will require the successful Offeror, referred to as the Contractor, to procure and maintain at its expense during the term of the contract resulting from the RFP, insurance in the kinds and amounts hereinafter provided with insurance companies authorized to do business in the State of New Mexico, covering all operations of the Contractor under the contract. Upon execution of the contract and on the renewal of all coverages, the Contractor shall furnish to the City a certificate or certificates in form satisfactory to the City as well as the rider or endorsement showing that it has complied with these insurance requirements. All certificates of insurance shall provide that thirty (30) days written notice be given to the Risk Manager, Department of Finance and Administrative Services, City of Albuquerque, P.O. Box 470, Albuquerque, New Mexico, 87103, before a policy is canceled, materially changed, or not renewed. Various types of required insurance may be written in one or more policies. With

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respect to all coverages required other than professional liability or workers' compensation, the City shall be named an additional insured. All coverages afforded shall be primary with respect to operations provided.

**1.23.2 Approval of Insurance:** Even though the Contractor may have been given notice to proceed, it shall not begin any work under the contract resulting from this RFP until the required insurance has been obtained and the proper certificates (or policies) are filed with the City. Neither approval nor failure to disapprove certificates, policies, or the insurance by the City shall relieve the Contractor of full responsibility to maintain the required insurance in full force and effect. If part of the contract is sublet, the Contractor shall include any or all subcontractors in its insurance policies, or require the subcontractor to secure insurance to protect itself against all hazards enumerated herein, which are not covered by the Contractor's insurance policies.

**1.23.3 Coverage Required:** The kinds and amounts of insurance required are as follows:

**1.23.3.1 Commercial General Liability Insurance.** A commercial general liability insurance policy with combined limits of liability for bodily injury or property damage as follows:

\$2,000,000	Per Occurrence
\$2,000,000	Policy Aggregate
\$1,000,000	Products Liability/Completed Operations
\$1,000,000	Personal and Advertising Injury
\$ 5,000	Medical Payments

Said policy of insurance must include coverage for all operations performed for the City by the Contractor and contractual liability coverage shall specifically insure the hold harmless provisions of the contract resulting from this RFP.

**1.23.3.2 Automobile Liability Insurance.** A comprehensive automobile liability insurance policy with liability limits in amounts not less than \$1,000,000 combined single limit of liability for bodily injury, including death, and property damage in any one occurrence. The policy must include coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment both on and off work.

**1.23.3.3 Workers' Compensation Insurance.** Workers' compensation insurance policy for the Contractor's employees, in accordance with the provisions of the Workers' Compensation Act of the State of New Mexico, (the "Act"). If the Contractor employs fewer than three employees and has determined that it is not subject to the Act, it will certify, in a signed statement, that it is not subject to the Act. The Contractor will notify the City and comply with the Act should it employ three or more persons during the term of the contract resulting from this RFP.

**1.23.3.4 Professional Liability (Errors and Omissions) Insurance.** Professional liability (errors and omissions) insurance in an amount not less than \$1,000,000 combined single limit of liability per occurrence with a general aggregate of \$1,000,000.

**1.23.4 Increased Limits:** During the life of the contract the City may require the Contractor to increase the maximum limits of any insurance required herein. In the event that the Contractor is so required to increase the limits of such insurance, an appropriate adjustment in the contract amount will be made.

**1.23.5 Additional Insurance:** The City may, as a condition of award of a contract, require a successful Offeror to carry additional types of insurance. The type and limit of additional insurance is dependent upon the type of services provided via the contract by the successful Offeror.

**THE CITY WILL REJECT ANY BONDS THAT ARE NOT ISSUED ON THE CITY REQUIRED FORMS).**

**1.24 Pay Equity Documentation.** All Proposals shall include a Pay Equity Reporting Form that can be accessed at <https://www.cabq.gov/gender-pay-equity-initiative>. Offerors who believe they are exempt because they are an out-of-state contractor (meaning that you have no facilities and no employees working in New Mexico) are not required to report data, but must still submit a Pay Equity Reporting Form with the box verifying the exempt status checked. **Any Proposal that does not include a Pay Equity Reporting Form shall be deemed nonresponsive, as stated in the Public Purchases Ordinance, 5-5-31.** A Pay Equity Reporting Form will be automatically issued within two (2) business days of completing your information at the link above. To ensure you have your form before the deadline for solicitation close, please access the link at least three (3) business days prior to the solicitation deadline. Please contact the “City Contact” identified above in Section 1.6 with any questions about the Pay Equity Reporting Form.

## PART 2

### PROPOSAL FORMAT

#### 2.1 Technical Proposal Format, Section One

**2.1.1 Offeror Identification:** State name and address of your organization or office and nature of organization (individual, partnership or corporation, private or public, profit or non-profit). Subcontractors, if any, must be identified in a similar manner. Include name, email address and telephone number of person(s) in your organization authorized to execute the Draft Agreement. Submit a statement of compliance with all laws stated herein. Submit a statement of agreement of the terms and conditions of the Draft Agreement; state exceptions. Show receipt of Addenda if applicable. Provide a statement or show ability to carry the insurance specified.

#### 2.1.2 Experience:

**2.1.2.1 Current Experience.** State relevant experience of the company and person(s) who will be actively engaged in the proposed services, including experience of subcontractors. Submit resumes for the individuals who will be performing the services for the City.

**2.1.2.2 Past Experience.** Describe a minimum of three (3) contracts for services of similar scope and size, which services are now complete. Please include;

- a) Whom the services were performed, year completed, and a letter of reference for each regarding the services. References must be for services performed in the past three to five (3 to 5) years. DO NOT use City employees or any City elected officials as a reference.
- b) City employees or any City elected officials as a reference. The City will not contact and will not assign any evaluation points for references from City employees or elected officials. State relevant experience with other municipalities or government entities.

**2.1.3 Proposed Approach to Tasks:** Discuss fully your proposed approach to each of the tasks described in Part 3, Scope of Services. Use charts to illustrate the number of hours dedicated to each task and who will be performing each task [individual(s)/firm(s)]. Reference Appendix A, attached hereto, without stating the price structure.

**2.1.4 Management Summary:** Describe individual staff and subcontractor's responsibilities with lines of authority and interface with the City of Albuquerque staff. Describe resources to be drawn from in order to complete tasks.

#### 2.2 Cost Proposal Format, Section Two

**2.2.1 Total Cost:** Submit your Cost Proposal (Appendix A) separately from your Technical Proposal (upload Appendix A in the City's eProcurement system). **Failure to submit your cost separately from your Technical Proposal shall result in your proposal being deemed non-responsive.** The cost proposal should include the

information highlighted in sections 2.2.2 through 2.2.7 in a spreadsheet format.

**2.2.2 Offeror Statement of Compliance:** All costs to be incurred and billed to the City shall be described by the Offeror for each item, to allow for a clear evaluation and comparison, relative to other offers received. The Offeror should understand that the City will not pay any amount not included, or identified separately, such as insurance or taxes of any kind; that liability for such items, remains with the Offeror, and the proposed price quoted must include any such costs (including all applicable taxes).

**The Cost Proposal should contain at least the following information:**

- The cost for the entire project broken down by the activities or steps shown on the project schedule.
- Estimated periodic billing to the City based on the cost of the deliverable items.
- Cost or pricing details should be shown by task. This might include, but is not limited to:
  - Hours by category, hourly rates, and total labor broken out by professional and other labor. Subcontract costs if applicable, and additional consulting beyond the scope of the described tasks (if requested).

**2.2.3 Detailed costs.** Offerors shall show detailed costs by task and number of hours dedicated to each task as listed in the specifications. Please complete the Cost Proposal sheet provided in the e-Procurement System Bonfire. Include the total number of hours and total cost for the basic audit for each task as listed below:

- Financial Statement Audit
- Federal Single Audit
- Special Engagements/Audits
- Other Nonaudit Services
- Other

**Please provide the detailed costs in the following format for the City:**

Summary Cost Proposal

*Hours and Cost*

Report	Apprx hrs/yr	FY2026	FY2027	FY2028	Total Cost
Financial Statement Audit					
Single Audit					
Special Audits/Engagements (provide detail in section 2.2.3)					
Gross receipts tax					
<b>Total Cost</b>					

**2.2.4 Special Engagements/Audits.**

Include the estimated number of hours for each

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engagement. In addition, include a separate total cost for each of the three years, for the special engagements listed below. The Offeror should include as part of the bid hours associated with auditing Revenue Bond Debt Service Coverage schedules.

- Separate Independent Auditors’ Report- OPEB Trust
- Separate Independent Auditors’ Report- Airport Fund
- Agreed Upon Procedures – Transportation Section 15
- Agreed Upon Procedures – Aviation Passenger Facility Charge Audit
- Agreed Upon Procedures for each landfill and convenience center
- Agreed Upon Procedures – Impact Fees

**Offeror shall provide the detailed costs in the following format (Appendix A): Special**

Audit Cost	Engagement				Total Cost
	Approximate Hours/Year	FY2026	FY2027	FY2028	
<b>Separate Independent Auditors' Report</b>					
Airport Fund					
OPEB Trust Fund					
<b>Agreed Upon Procedures</b>					
Transportation Section 15					
Aviation Passenger Facility Charge					
Landfills/Convenience Centers					
Impact Fees					
Gross Receipts Tax					
<b>Total Cost</b>					

**2.2.5 Independent Accountants’ Certificate for Additional Bond Test Procedures:** The proposed cost for an Independent Accountants’ Certificate as a result of additional bond test procedures performed will be requested on an “as needed-basis”. It is anticipated the cost will vary depending on the specific bond issue. The cost proposal will **be based on the Proposed Rates for Additional Services that will be included in Part 2.2.7.**

**2.2.6 Rates for Additional Professional/Audit Services.** On occasion the City may request the auditor to render additional services outside the scope of this audit. All such work will be set forth in an addendum to the contract between the City and the firm. Any

such additional work shall be performed at the same rates as proposed under this RFP and included in the cost proposal 2.2.7.

**Please provide the additional rates in the following format:**

	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>
Partners		
Managers		
Supervisory Staff		
Staff		
Other (specify):		

**2.2.7 All Costs:** All costs to be incurred and billed to the City should be described by the Offeror for each item, to allow for a clear evaluation and comparison, relative to other offers received. The Offeror should understand that the City will not pay for any amounts not included -- for example, insurance or taxes -- and that liability for items not included remains with the Offeror.

## PART 3 SCOPE OF SERVICES

**In accordance with 2.2.2.8(F) NMAC, the City shall only award a contract to an independent public accounting firm that is included on the 2026 Approved Firm List, which is expected to be published in March 2026.**

### **3.1 Scope of Services to be Performed:**

**3.1.1 General Information** the City of Albuquerque (City) is soliciting the services of qualified firms of certified public accountants (auditor) to audit its financial statements and the financial statements of its component unit, the City of Albuquerque Foundation, for the fiscal year ending June 30, 2026, with an option to audit for each of the two (2) subsequent fiscal years.

**3.1.2 Financial and Compliance Audit** The auditor shall conduct a financial and compliance audit of the following applicable statements and schedules of the City for the period July 1, 2025 through June 30, 2026:

**3.1.2.1 Basic Financial Statements** The government-wide financial statements, fund financial statements budgetary comparison statements for the general fund, major special revenue funds, major proprietary funds, and the notes to the financial statements.

**3.1.2.2 Supplemental Information (SI)** Combining statements for the non-major funds are required to be included as Supplementary Information. Budgetary statements for non-major funds with a legally adopted budget will be included as supplementary information. The auditors will audit and opine on the total of the non-major funds.

a) Combining financial statements by fund type, and the individual fund and account group financial statements.

b) Remaining supplementary information on schedules as required by Section 2.2.2.10(A)(2)(e) NMAC.

**3.1.2.3 Required Supplemental Information (RSI)** The auditor shall apply procedures and report in the auditor's report on the following RSI pursuant to AU-C730.

a) The Management Discussion and Analysis (MD&A)

b) RSI data required by GASB 67 and 68 for defined benefit pension plans

c) RSI data required by GASB 75 for other post employment benefit plans

**3.1.2.4 Remaining Supplementary Information** The auditor shall include an AU-C 725 opinion on the remaining SI schedules presented in the audit report.

a) Single Audit of Federal Assistance. The auditor shall complete an audit of the financial and compliance components of the federal grant awards received by the City and a review of its component unit, in accordance with OMB Uniform Guidance 2 CFR 200. This audit shall include and opinion on the fair representation of the City's Schedule of Expenditures

**of Federal Awards (SEFA) and certification of the submission of the Data Collection Form (SF-SAC) submitted through the Federal Audit Clearinghouse system.**

b) Schedule of pledged collateral required by Subsection P of 2.2.2.10 NMAC.

c) Schedule of changes in assets and liabilities for agency funds required by Subsection P of 2.2.2.10 NMAC.

### **3.1.2.5 Other Special Audits/Engagements**

**3.1.2.5.1 Agreed Upon Procedures - Transportation Section 15.** The auditor is to evaluate whether the Transit Fund, an enterprise fund of the City, satisfies certain requirements of the FTA Standards with regard to the data reported in its Federal Funding Allocation Statistics Form (Form FFA-10). The Federal Transit Administration (FTA) has established standards, published in 49 CFR Part 630, Federal Register, January 15, 1993 as presented in the National Transportation Database (NTD) 2020 Urban Module Reporting Manual and requires reporting of the Federal Funding Allocation Statistics Form (Form FFA-10) to be prepared in accordance with the requirements of the Uniform System of Accounts (USOA) and Records and Reporting System Final Rule. The link to 49 CFR Part 630 can be found below: <https://www.govinfo.gov/app/details/CFR-2023-title49-vol7/CFR-2023-title49-vol7-part630> . The link to the NTD 2025 Reporting Manual can be found below: <https://www.transit.dot.gov/ntd/2025-ntd-reporting-policy-manual>

**3.1.2.5.3 Agreed Upon Procedures - Passenger Facilities Charges.** The auditor is to perform an audit of the Schedule of Passenger Facility Charges (Revenue and Expenditures) of the City's Albuquerque International Sunport. The schedule is prepared annually for the purpose of complying with U.S. Federal Aviation Administration (FAA) Passenger Facility Charge Audit Guide for Public Agencies. In addition, the auditor shall issue an Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting based on an audit of Passenger Facilities Charges (Revenues and Expenditures) performed in accordance with Generally Accepted Auditing Standards and Generally Accepted Government Auditing Standards. The link to the Code of Federal Regulations can be found below: <https://www.govinfo.gov/app/details/CFR-2025-title14-vol3/CFR-2025-title14-vol3-part158>

**3.1.2.5.4 Agreed Upon Procedures - Landfill Financial Assurance.** The auditor is to apply agreed upon procedures to the City's Solid Waste Department's post-closure landfill cost estimates. The cost estimates are prepared for the Intermediate Processing Facility, Montessa Park Convenience Center, Eagle Rock Convenience Center and Don Reservoir Convenience Center. The requirements for the Local Government Financial Test are contained in the New Mexico Solid Waste Management (NMSWM) Regulations **20.9.10.19 NMAC, Local Government Financial Test. The test is used solely by the City and New Mexico Environment Department Solid Waste Bureau in determining if the City satisfies the requirements of the NMSWM criteria. The link to 20.9.10.19 NMAC can be found below: <https://www.srca.nm.gov/parts/title20/20.009.0010.html>**

**3.1.2.5.5 Agreed Upon Procedures - Impact Fees.** The auditor will apply agreed upon procedures to the City's annual impact fee report in accordance with certain requirements

**of the Development Fee Act contained in the New Mexico Statutes Annotated 1978 (Development Fee Act), and with any federal, state, or City regulations applicable. The link to the New Mexico Statutes NMSA 1978 Development Fee Act 5-8-1 can be found below: <https://law.justia.com/codes/new-mexico/chapter-5/article-8/section-5-8-1/>**

**3.1.2.5.6 Additional Bond Tests.** The City of Albuquerque in the future may need to prepare one or more official statements in connection with the sale of debt securities. The auditor shall be requested by Bond Counsel to perform additional bond tests as specified in the Bond Legislation. An Independent Accountants' Certificate will be required confirming the additional required bond testing has been performed. Such testing usually includes 1) reviewing bond legislation and relevant portions of Tax Ordinances, 2) comparing financial information in the debt offering schedules to the original source documents and 3) performing mathematical calculations as required and relating to the supporting schedules.

**3.1.3 Required Reports to be issued for inclusion in the City's Annual Comprehensive Financial Report (ACFR).** Upon completion of the audit, the auditor shall issue the following auditors' reports for the City and its component unit, The City of Albuquerque Foundation:

**3.1.3.1 An Independent Auditors' Report on the fair presentation of the financial statements in conformity with generally accepted accounting principles based on an audit of basic and combining financial statements performed in accordance with Government Auditing Standards.**

**3.1.3.2 A Report on Internal Control Over Financial Reporting And on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance With Governmental Auditing Standards.** The auditor shall communicate any deficiencies in internal control and material weaknesses found during the audit. A deficiency in internal control is specifically defined as a deficiency in the design or operation of control that does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material misstatement is defined as a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement in the financial statements will not be prevented, detected and corrected on a timely basis.

**3.1.3.3 Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance.**

**3.1.3.4 A Schedule of Findings and Questioned Costs.** The reports shall include all instances of noncompliance.

**3.1.4 Other Required Reports to be Issued:** Following the completion of the audit of the fiscal year's financial statements the auditor shall issue the following additional reports:

**3.1.4.1 An Independent Auditors' Report (separate) on the financial statements for certain enterprise funds for inclusion in debt offerings and for the City's OPEB Trust fund.**

**Presently those funds are:**

Airport Fund  
OPEB Trust Fund

**3.1.4.2 Agreed Upon Procedures Reports.** The City is required to submit special reports to various agencies. Presently reports are required for the following:

a) Transportation Section 15 Independent Accountants' Review Report on Reporting Forms Required under Title 49 U.S.C. 5335(a) Independent Accountants' Report on Applying Agreed-Upon-Procedures as stated in section 3.1.2.5.1.

b) Passenger Facility Charge Program Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting based on an audit of Passenger Facilities Charge Revenues and Expenditures performed in accordance with Government Auditing Standards as stated in section 3.1.2.5.3 of this request for proposals.

c) Landfill Financial Assurance Independent Accountants' Report on Applying Agreed-Upon Procedures for each landfill and convenience center as stated in section 3.1.2.5.4 of this request for proposals.

d) Impact Fees Audit Independent Accountants' Report on Applying Agreed-Upon Procedures for City Impact Fees as stated in section 3.1.2.5.5 of this request for proposals.

**3.1.4.3 Additional Bond Tests** - Independent Accountant's Certificate. A certificate will be required for each new bond issue, if applicable.

**3.1.4.4 Report of Possible Violations of Criminal Statutes in Connection with Financial Affairs.** Auditors shall be required to make an immediate, written report of any possible criminal statute violation in connection with its financial affairs. The notification shall include an estimate of the dollar amount involved and a complete description of the violation, including names of persons involved and any action taken or planned to the City's Director of Finance and Administrative Services, the City Controller and the New Mexico State Auditor.

**3.1.5 Special Considerations**

**3.1.5.1 Reporting to the City Controller.** Auditors shall communicate with the City of Albuquerque's City Controller regarding each of the following:

- a) The Auditors' responsibility under generally accepted auditing standards.
- b) Significant accounting policies.
- c) Significant audit adjustments.
- d) Major issues discussed with management prior to retention.
- e) Difficulties encountered in performing the audit.
- f) Management judgements and accounting estimates.

**3.1.5.2 Auditing Standards to be Followed.** To meet the requirements of this request for proposals, the audit shall be performed in accordance with:

- a) The 2024 revision of GAGAS issued by the United States Government Accountability Office (yellow book).
- b) U.S. auditing standards-AICPA (clarified) effective for periods ending on or after December 2025;
- c) Uniform administrative requirements, cost principles, and audit requirements for federal awards (uniform guidance);
- d) AICPA audit and accounting guide, government auditing standards and single audits, (AAG-GAS) latest edition;
- e) AICPA audit and accounting guide, state and local governments (AAG-SLV) latest edition; and
- f) 2.2.2 NMAC, requirements for contracting and conducting audits of agencies, latest edition.

**3.1.5.3** The City of Albuquerque has determined that the United States Federal Transit Authority (FTA) will function as the cognizant agency in accordance with the provisions of the Single Audit Act of 1984, as amended, and U.S. Office of Management and Budget (OMB) 2 CFR Part 200 Subpart F, Audits of State and Local Governments and the N.M. State Auditor’s Rule 2.2.2 NMAC.

**3.1.6 Working Paper Retention and Access to Working Papers** All working papers and reports must be retained, at the Auditors' expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of Albuquerque of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees to City of Albuquerque:

**U.S. General Accounting Office**

**Cognizant federal agency**

**Parties designated by the federal or state government or by the City of Albuquerque as part of an audit quality review process**

**In addition, the firm shall respond to the reasonable inquiries of successor auditors to review working papers relating to matters of continuing accounting significance.**

## **3.2 Description of the Government**

**3.2.1 Name and Telephone Number of Contact Persons/Organizational Chart/Location of Offices.** The Auditor’s principal contact with the City of Albuquerque will be Jason Shaw, City Controller, Department of Finance and Administrative Services, or a designated representative, who will coordinate the assistance to be provided by the City to the auditor. A city-wide organization chart and list of Department Directors is included in the appendices.

**3.2.2 Background Information** The City of Albuquerque has been granted “Home Rule” authority as provided under the New Mexico constitution and as such has adopted City Ordinances that govern City operations.

Information on the government and its finances which can be found in the City of Albuquerque’s Budget document, as well as in prior years’ Annual Comprehensive Financial Reports. Copies of the Budget documents may be obtained from the City’s website at <http://www.cabq.gov/dfa/budget/> . Copies of the Annual Comprehensive Financial Reports for Fiscal Year 2025 and prior years may be obtained from the City’s website at <https://www.cabq.gov/dfa/treasury/investor-information/annual-comprehensive-financial-reports>.

**3.2.3 Fund Structure as of June 30, 2025.**

Fund Type	Number of Individual Funds	Number of Annual Budgets Presented in ACFR
General Fund	1	1
Special Revenue Funds	20	19
Debt Service Funds	4	3
Capital Projects Funds	6	5
Enterprise Funds	6	5
Internal Service Funds	5	5
Permanent Funds	2	0
Nonexpendable Trust Funds	1	0
Custodial Funds	1	0

The City expects the following to be considered major funds for fiscal year 2026: **General Fund, GO Bond Debt Service Fund, LG Abatement Fund, Operating Grants Fund, Capital Acquisition Fund, Infrastructure Tax Fund, Airport Fund, Refuse Disposal Fund, and Transit Fund.**

**3.2.4 Budgetary Basis of Accounting.** The City of Albuquerque prepares its budgets on a basis consistent with generally accepted accounting principles.

**3.2.5 Magnitude of Finance Operations.** The Department of Finance and Administrative Services consists of 132 employees in the following Divisions:

Function	Number of Employees
Administrative Division	7
Office of Management and Budget	9
Accounting Division	34
Purchasing Division	17
Treasury Division	6
Risk Management Division	36
Metro Redevelopment	6
Office of Equity and Inclusion	12
Office of Emergency Management	5

**3.2.6 Schedule of Expenditure of Federal Awards.**

**Federal Expenditures for fiscal year 2025 were approximately \$77 million including loan guarantees. The following were tested as major programs for fiscal year 2025.**

Assistance Listing #	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)
14.239	Home Investment Partnerships Program
14.267	Continuum of Care Program
20.106	Airport Improvement Program

**3.2.7 Pension and Post-Employment Benefit Plans.** The City of Albuquerque participates in a cost-sharing multiple-employer defined contribution retirement plan administered by the Public Employees Retirement Association (PERA) of the State of New Mexico and a cost-sharing multiple-employer defined contribution postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). The City also administers a multiple-employer defined benefit life insurance trust for its employees and retirees and the Water Utility Authority. An actuarial report is completed for the life insurance benefits bi-annually to comply with the requirements of GASB 45, GASB 74 and GASB 75.

**3.2.8 Computer Systems**

Software	Modules/Functions/Hardware
Peoplesoft Financial	General Ledger, Accounts Payable, Accounts Receivable, Project Costing, Commitment Control, Asset Management, Lease Administration, Cash Management, eProcurement, Contracts, Grants
Peoplesoft HR	Personnel, Time and Labor, Payroll, Kronos
Cognos	Ad-Hoc Reporting G/L, Trial Balances, A/P, A/R, Payroll Five Virtual servers, three physical servers
Bonfire/Euna Solutions	Procurement Bidding System
DSS	Ad-Hoc Reporting G/L, Trial Balances, A/P, A/R, Payroll One virtual ODABase on an X5-2 Oracle Appliance
Workiva	Financial statement software, cloud based
OnBase	Imaging A/P, A/R, One physical server, one physical HP-UX server; one virtual server
WellsOne Expense Manager	Purchasing/Travel Cards Hosted by Wells Fargo
DFAST	Special Assessments billing and A/R One physical server, one virtual server
Euna (BudgetPro)	Budgeting.

Various-departmental	Billing, Accounts Receivable, All servers are Windows, IBM or Lenovo, and Oracle VM unless stated above PS FIN AND HR have 16 virtual servers, running Linux, six physical IBM Blades (hosts) running Oracle VM and two virtual ODABase on an X5-2 Oracle Appliance
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**3.2.9 Internal Audit Function**

**The City of Albuquerque has maintained an internal audit function since 1985. The internal audit function reports to the Accountability in Government Oversight Committee, and is staffed by six employees, three of which are Certified Public Accountants. The City’s internal auditors are not involved in the ACFR audit. They do provide external auditors with information on internal audits and follow-up audits completed during the year as requested. Additional information for internal audits can be found at <http://www.cabq.gov/audit/> .**

**3.2.10 General Description of The Albuquerque Foundation:**

**The Foundation, established in July 2020, is organized and operated exclusively for charitable, scientific and educational purposes for the benefit of, to perform the functions of, or to carry out the purposes of the City of Albuquerque. The expected revenue from donations is \$1,500,000. The Board of Directors of the Foundation is appointed by the Mayor of the City of Albuquerque.**

**3.3 Time Requirements**

**3.3.1 Date Audit May Commence.** The selected audit firm shall be prepared to commence preliminary audit work as soon as the contract is approved by the State Auditor. The City will have a significant number of records ready for audit and all management personnel will be available at that time. A schedule for the audit will be prepared by the City’s Accounting Division and status meetings will be held periodically. The auditor shall complete its audit work in order to ensure delivery of the Annual Comprehensive Financial Report to the State Auditor for first review no later than December 15, 2026. Copies of all required reports shall be printed on the audit firms’ official letterhead and delivered to the City Controller by this date. (See section 3.1.3 and 3.1.4).

**3.4 Assistance provided to the Auditor and Report Preparation**

**3.4.1 Finance Department and Clerical Assistance.** The Finance Department staff and responsible management personnel will be available during the audit to assist the auditor by providing information, documentation and explanations. The preparation of audit confirmations will be the responsibility of the auditor. Limited clerical support will be made available to the auditor for the preparation of routine letters and memoranda.

**3.4.2 Accounting and Information Technology Assistance.** The following personnel will be available to assist the auditor in performing the engagement:

**City Controller, Associate Controller and all Accounting Division personnel.**

**Department of Innovation and Technology (DTI) personnel will also be available to provide systems documentation and explanations.**

**3.4.3** Work Area, Telephone, Photocopying, Internet Access and FAX Machines. The City of Albuquerque will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to telephones, photocopying, internet connections and FAX machines.

**3.4.4** Report Preparation. The preparation, editing and printing of the City's Financial statements (ACFR) and all Enterprise Financial Statements referred to in section 3.1.4.1 shall be the responsibility of the City of Albuquerque.

**3.4.5** General Information.

- The City of Albuquerque Organization Chart can be found at: <https://www.cabq.gov/department-listing>
- A copy of the New Mexico State Auditor Rule 2.2.2 NMAC can be found at: <http://www.saonm.org/>
- A copy of the 2 CFR Uniform Guidance can be found at : <http://www.ecfr.gov/cgi-bin/text-idx?SID=463f41d107aad544bec451d222878667>

## PART 4

### EVALUATION OF PROPOSALS

**4.1 Selection Process.** The Mayor of Albuquerque shall name, for the purpose of evaluating the Proposals, an Ad Hoc Advisory Committee. On the basis of the evaluation criteria established in this RFP, the committee shall submit to the Mayor a list of qualified firms in the order in which they are recommended. Proposal documentation requirements set forth in this RFP are designed to provide guidance to the Offeror concerning the type of documentation that will be used by the Ad Hoc Advisory Committee. Offerors should be prepared to respond to requests by the Purchasing Office on behalf of the Ad Hoc Advisory Committee for oral presentations, facility surveys, demonstrations or other areas deemed necessary to assist in the detailed evaluation process. Offerors are advised that the City, at its option, may award this request on the basis of the initial Proposals.

**4.1.1 Selection of Finalist Offerors (If Applicable).** The Ad Hoc Advisory Committee may select Finalist Offerors (also known as the “short list”). The Purchasing Office will notify the Finalist Offerors. Only Finalist Offerors will be invited to participate in the subsequent steps of the procurement if this Finalist process is used.

**4.1.2. Oral Presentation or Demonstrations by Finalists (If Applicable).** Finalist Offerors may be required to present their proposals to the Ad Hoc Advisory Committee (“Oral Presentation”). The Purchasing Office will schedule the time for each Finalist Offeror’s presentation. All Finalist Offeror Oral Presentations will be held remotely via Zoom unless notified otherwise. Each Oral Presentation will be limited to one (1) hour in duration unless notified otherwise. NOTE: The scores from the initial proposal evaluation will only carry over to the Oral Presentation evaluation in the case of a tie score after Oral Presentations.

**4.2 Evaluation Criteria.** The following general criteria, not listed in order of significance, will be used by the Ad Hoc Advisory Committee in recommending contract award to the Mayor. The Proposal factors will be rated on a scale of **0-1000** with weight relationships as stated below.

#### **4.2.1 Evaluation Factors:**

100 -- The Offeror’s general approach and plans to meet the requirements of the RFP.

200 --The Offeror's detailed plans to meet the objectives of each task, activity, etc. on the required schedule. Explain how your audit schedule and approach will facilitate the timeliness of the audit and the City’s processes. Highlight the levels of the review process and timeliness of the review process as identified in Part 3.

300 -- Experience and qualifications of the Offeror and personnel as shown

on staff resumes to perform tasks described in Part 3, Scope of Services..

200 -- Adequacy of proposed project management and resources to be utilized by the Offeror.

100 --The Offeror's past performance on services of similar scope and size.

100 -- Cost Proposal – The costs proposed by the Contractor as described in Section 2.2 of this RFP to perform the tasks listed in Part 3, Scope of Services. The evaluation of this section will occur after the technical evaluation, based on a cost/price analysis.

**4.2.2 Cost/Price Factors:** The evaluation of cost factors in the selection will be determined by a cost/price analysis using your proposed figures. Please note that the lowest cost is not the sole criterion for recommending contract award.

**4.2.3 Cost Evaluation.** The cost/price evaluation will be performed by the City Purchasing Division or designee. A preliminary cost review will ensure that each Offeror has complied with all cost instructions and requirements. In addition, Proposals will be examined to ensure that all proposed elements are priced and clearly presented. Cost Proposals that are incomplete or reflect significant inconsistencies or inaccuracies will be scored accordingly or may be rejected by the Ad Hoc Advisory Committee if lacking in information to determine the value/price/cost relative to the services proposed.



March 12, 2026

Proposal to provide professional  
audit services to:

## City of Albuquerque

### 2.1 Technical Proposal

Prepared by:

**Emily Wilson, CPA, CFE, CIA, Principal**

[emily.wilson@CLAconnect.com](mailto:emily.wilson@CLAconnect.com)

Direct 505-222-3585

**[CLAconnect.com](https://www.CLAconnect.com)**

CPAS | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://www.CLAGlobal.com/disclaimer).

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





CliftonLarsonAllen LLP  
CLAconnect.com

March 12, 2026

Kathleen Oney, Senior Buyer  
Department of Finance and Administrative Services  
City of Albuquerque  
PO Box 1293, Rm 11015  
DFAS Director's Office  
Albuquerque, NM 87103-1293

*For electronic submittal via  
Bonfire only*

Dear Ms. Oney:

Thank you for inviting us to offer our services to City of Albuquerque (the City). CLA's experience with similar government entities, client-focused approach, and robust resources maintain our position as a highly qualified candidate to continue your engagement.

### Why CLA is still the right fit for the City

We're excited about the opportunity to continue working with the City. Here's why CLA stands out:

- **We know you!** Our existing relationship means we understand your operations and can hit the ground running.
- **Industry-specialized insights.** CLA is one of the largest firms specializing in regulated industries, giving you access to deep knowledge and resources for your audit needs.
- **Single audit experience.** We lead the nation in OMB *Uniform Guidance* audits, with a dedicated team focused on these complex procedures and requirements.
- **Efficient and thoughtful approach.** With experience serving more than 3,700 government clients, our audit methodology is designed to reduce disruption and deliver results on time.
- **Clear communication.** You'll work directly with senior professionals who stay engaged and keep you informed on important issues.
- **Consistent, reliable service.** We focus on non-SEC clients, so your needs stay front and center. Our state and local government team brings specialized knowledge that's directly relevant to you.
- **Offshoring.** Independence shapes how we work at CLA. We're a U.S.—built, privately held partnership that does not offshore any of our work. Keeping jobs local supports our culture and our clients. To help grow the talent pipeline, we launched the CLA Academy in 2024 to train people new to accounting, tax, audit, and financial systems.
- **A legacy of independence.** For more than 100 years, CLA has remained privately held and partnership-led. We **fund our own growth, technology, and succession**, keeping our focus on integrity, transparency, and impeccable client service for the next generation.

We're ready to continue supporting the City with the same care, aptitude, and responsiveness you've come to expect.

## Verification statements

I, Emily Wilson, your engagement principal-in-charge, will serve as the City's primary contact for this engagement. As a principal of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the City's RFP. My contact information is:

**Emily Wilson, CPA, CFE, CIA, Principal**

Office: 505-222-3585

Email: [emily.wilson@CLAconnect.com](mailto:emily.wilson@CLAconnect.com)

We want to continue to serve you, and we have the qualifications to deliver quality, timely work. This proposal outlines how we'll work together and demonstrates the value you've come to appreciate when we exceed expectations. For ease of evaluation, the structure of our proposal follows RFP *Part 2 Proposal Format*.

Please reach out if you need more information on our firm or our proposal.

Sincerely,

**CliftonLarsonAllen LLP**



Emily Wilson, CPA, CFE, CIA

Principal

505-222-3585

[emily.wilson@CLAconnect.com](mailto:emily.wilson@CLAconnect.com)

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# 2.1.1 Offeror Identification

Name and nature of firm	CliftonLarsonAllen LLP (CLA) - a limited liability partnership
Address	6501 Americas Parkway NE, Suite 500, Albuquerque, NM 87110
Primary contacts	<p><b>Emily Wilson, CPA, CFE, CIA, Principal</b>  <a href="mailto:emily.wilson@CLAconnect.com">emily.wilson@CLAconnect.com</a>            Direct 505-222-3585</p> <p><b>Laura Beltran-Schmitz, CPA, CFE, CGFM, CICA, Principal</b>  <a href="mailto:laura.beltran-schmitz@CLAconnect.com">laura.beltran-schmitz@CLAconnect.com</a>            Direct 505-222-3526</p> <p>As principals in the firm, we are authorized to make representations for and contractually bind the firm.</p>
Subcontractors	We will not use any subcontractors on this engagement.
Compliance with laws	CLA confirms and acknowledges compliance with all laws stated herein the RFP.
Agreement with terms and conditions	We are in agreement with the terms and conditions of the Draft Agreement; we have no exceptions.
Receipt of addenda	As of the date of the submittal of our proposal, we are in receipt of <i>Addendum #1</i> , dated March 3, 2026.
Insurance	CLA carries commercially reasonable amounts of professional liability insurance. If requested, the firm will provide a certificate of coverage for an amount specified by the City upon being engaged.



## 2.1.2 Experience

### 2.1.2.1 Current experience

#### Firm overview

##### *Create opportunities*

CLA exists to create opportunities for our clients, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. Our broad professional services allow us to serve clients more completely — from startup to succession and beyond.

Our professionals are immersed in the industries they serve and have specialized knowledge of their operating and regulatory environments. With nearly 9,000 people in about 120 U.S. locations and a global vision, we promise to know you and help you.

9,000

NEARLY 9,000 PEOPLE

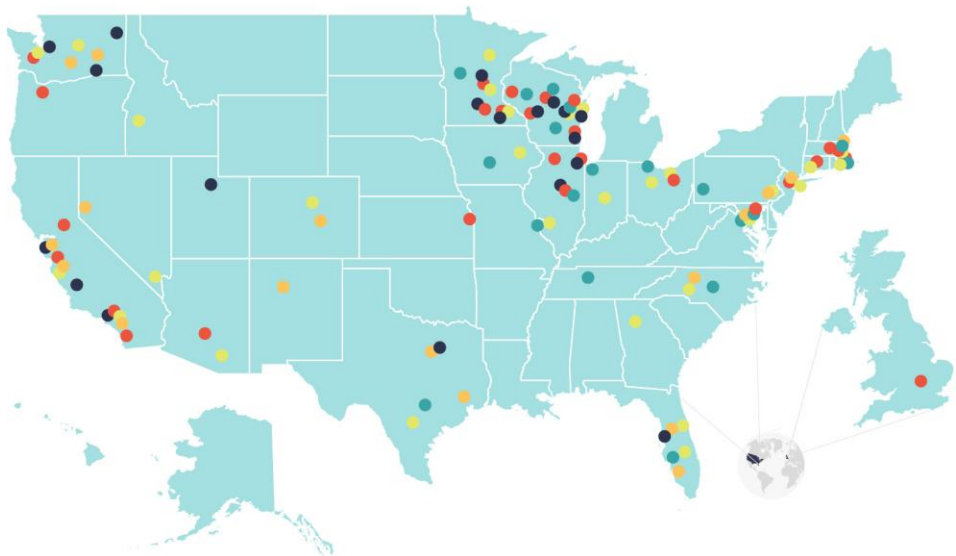
ABOUT

120

LOCATIONS

AN INDEPENDENT  
NETWORK MEMBER OF

CLA Global



#### *It takes balance™*

With CLA by your side, you can find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go. CLA has been recertified as a Great Place to Work™ in February 2026.

#### State and local government experience

You can benefit from a close personal connection with a team of professionals devoted to governments. Our goal is to become familiar with all aspects of your operations — not just the information needed for the year-end audit — so that we can offer proactive approaches in the areas that matter most to you:

- Finding new ways to operate more effectively and efficiently
- Responding to regulatory pressures and complexities
- Maintaining quality services in the face of changing budgetary priorities
- Providing transparent, accurate, and meaningful financial information to stakeholders, decision-makers, and your constituents



We understand the legislative changes, funding challenges, compliance responsibilities, and risk management duties that impact you. Our experienced government services team can help you navigate the challenges of today, all while seamlessly strategizing for the future.



### Deep industry connections

CLA actively supports industry education as a thought leader and industry speaker. We focus on supporting the educational needs of the industry through nationally sponsored trade events. Our team of professionals is sought after, both as educators and as experienced speakers who are invited to speak and teach at major professional events by leading trade associations, including those shown here.



We are also actively involved in and/or are members of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- AICPA’s State and Local Government Expert Panel
- AICPA’s Government Audit Quality Center (GAQC)
- Government Finance Officers Association (GFOA)
- Special Review Committee for the GFOA’s Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program
- Association of Government Accountants
- New Mexico State Society of CPAs
- Government Accounting and Auditing Committee
- New Mexico State GFOA
- Accounting, Auditing and Financial Reporting Committee

Our involvement in these professional organizations, combined with various technical services we subscribe to, allows us to be at the forefront of change in the constantly changing government environment. We take our responsibility for staying current with new accounting pronouncements, auditing standards, other professional standards and laws and regulations seriously.



## Insight to strengthen the City of Albuquerque

When you're ready to go beyond the numbers to find value-added strategies, we offer resources to help you respond to challenges and opportunities including:

- [National webinars](#) — Access complimentary professional development opportunities for your team.
- [Articles and white papers](#) — Stay current on industry information as issues arise.

**Curious:** *We care, we listen, we get to know you.*

## Support at every turn

With [dedicated services specific to state and local governments](#), you have access to guidance on all aspects of your operations.

- [Audit](#), review, and compilation of financial statements
- Compliance audits (HUD, OMB Single Audits)
- [Cybersecurity](#)
- [Enterprise risk management](#)
- [Forensic accounting, auditing, and fraud investigation](#)
- Fraud risk management
- [Grant compliance](#)
- Implementation assistance for complex Governmental Accounting Standards Board (GASB) statements
- [Internal audit](#)
- [Outsourced business operations](#)
- [Performance auditing](#)
- [Purchase card \(p-card\) monitoring and analytics](#)
- [Risk assessments](#)
- Strategic, financial, and operational consulting
- [Telecom management services](#)
- [Business opportunity assessments](#)
- [System optimization and selection](#)



## New Mexico experience

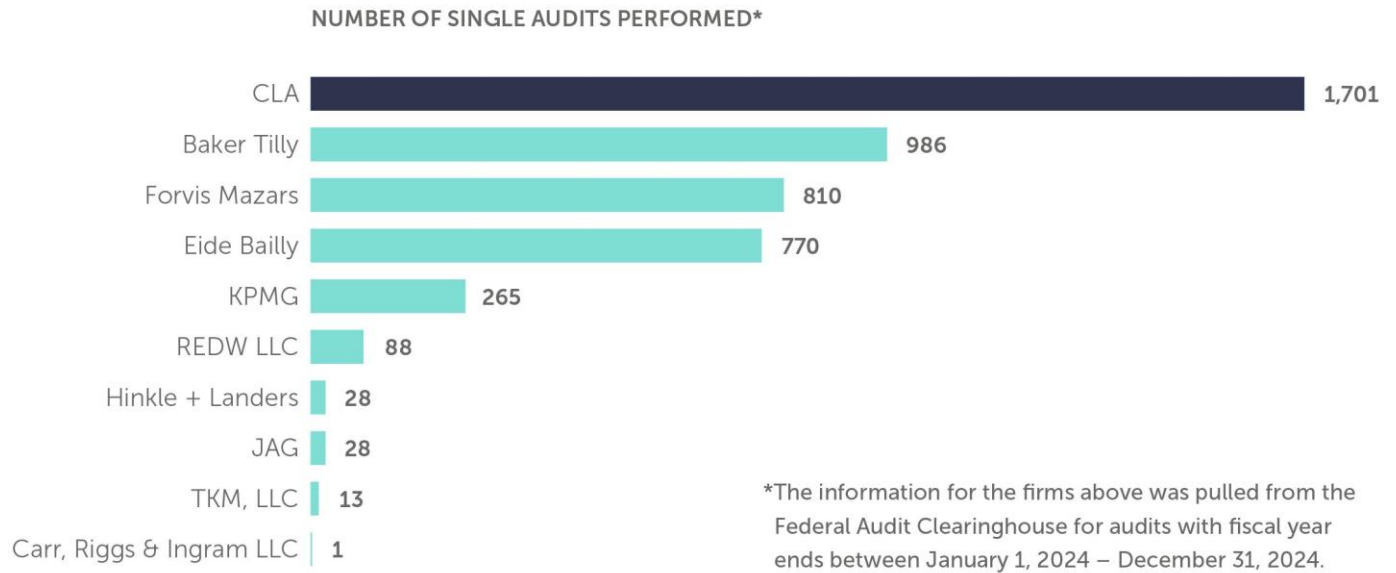
### *Experience with the Office of the State Auditor (OSA) and OSA-Connect*

We are well-versed in the New Mexico State Audit Rule and the imposed report deadlines. In the past three years, CLA had no restrictions imposed by OSA that would impact this engagement. CLA has worked with OSA for an extensive number of years and maintains a superb relationship, including various joint ventures such as the state's annual report. We use OSA-Connect for our annual firm profile submission, as well as the final report submission upon release by OSA.

## Single audit experience

### CLA performs the largest number of single audits in the United States

**We audited \$249 billion dollars in federal funds expended in 2024.** The chart below illustrates CLA’s experience in serving organizations that receive federal funds and demonstrates our firm’s dedication to serving the government and nonprofit industry.



It is more important than ever to find qualified auditors who have significant experience with federal grants specific to the City and can enhance the quality of the City’s single audit. Therefore, the single audit will be performed by a team of individuals who are managed by personnel who specialize in single audits in accordance with OMB’s *Uniform Guidance* and who can offer both knowledge and quality for the City. As part of our quality control process, the single audit will be reviewed by a firm Designated Single Audit Reviewer.

*You'll need an audit firm experienced in performing single audits and a familiarity with the specific programs in which you are involved and will benefit from CLA's experience in this area.*

#### Single Audit Resource Center (SARC) award

CLA received the [Single Audit Resource Center \(SARC\) Award](#) for Excellence in Knowledge, Value, and Overall Client Satisfaction. SARC's award recognizes audit firms that provide an outstanding service to their clients based on feedback received from an independent survey.

The survey queried more than 9,000 nonprofit and government entities about the knowledge of their auditors, the value of their service, and overall satisfaction with their 2024 fiscal year-end audit. The SARC award demonstrates CLA’s dedication to serving the government and nonprofit industry and maintaining the most stringent regulatory requirements in those sectors.



## Additional bond testing experience

CLA has significant experience working with large and sophisticated governmental entities that are considered large debt issuers, and the majority of our governmental audit clients are active in the debt market. Beyond the audit, CLA helps many clients during the bond issuance process, including preparing consent letters, comfort letters, and agreed-upon procedure engagements related to the issuance of bonds. We work with bond counsel and underwriters whose requirements vary based on the issue. These procedures are typically treated as separate engagements. Depending on the size and activity of the client, these engagements can be as infrequent as one every few years to multiple issuances within a fiscal year.

We're familiar with various debt-related practices and reports, including:

- Arbitrage rebate requirements and reports
- Recording of the issuance, premium, or discount and disclosure of refunding and swaps
- Rating agency Outlook Reports and ratings methodology
- Filing requirements on the Electronic Municipal Market Access (EMMA)
- GFOA's Best Practices and Advisory publications

## Passenger Facility Charge (PFC) experience

CLA brings deep, specialized experience serving airport authorities with significant Passenger Facility Charge (PFC) programs. As part of our aviation practice, we routinely perform PFC audits in accordance with the FAA's PFC Audit Guide for Public Agencies and the requirements of 14 CFR Part 158. We serve a broad range of public-sector airports, including large hub and complex multi-airport systems, giving us a strong understanding of the operational, financial, and regulatory environments in which airport authorities operate. This experience allows us to approach each engagement with a practical understanding of how PFC programs are structured, funded, and administered.

Because we audit numerous PFC programs nationwide, we have a well-developed perspective on common compliance risks and emerging areas of focus from the FAA. Our teams are experienced in evaluating PFC eligibility and allowability, reviewing cost allocation methodologies, reconciling PFC collections and expenditures, and assessing compliance across both pay-as-you-go and debt-financed projects. We leverage well-established audit methodologies tailored specifically to PFC programs, enabling us to perform an efficient and effective audit while reducing the burden on airport staff. This approach allows us to focus our efforts on higher-risk areas and provide meaningful assurance over the program.

We believe the greatest value we bring extends beyond meeting compliance requirements. Our professionals are committed to building strong relationships with management and serving as trusted advisors throughout the audit process. We communicate clearly and proactively, providing insights that help strengthen internal controls, improve documentation, and support long-term program sustainability. By combining technical PFC knowledge with a collaborative, service-oriented approach, we help airport authorities reduce regulatory risk, withstand FAA scrutiny, and continue to use PFC revenues confidently as a critical funding source for their capital improvement programs.

## Agreed-upon procedures over compliance

Our approach is grounded in a detailed understanding of applicable statutes, regulations, and reporting standards, allowing us to design and execute procedures that are responsive to program-specific compliance objectives while remaining efficient and well-documented.



### *Transportation section 15*

Our teams possess a well-established understanding of Federal Transit Administration (FTA) standards and are experienced in evaluating compliance with National Transit Database (NTD) requirements and definitions set forth in 49 CFR Part 630, Federal Register, as presented in the NTD Policy Manual. This allows us to work closely with Transit staff to understand the accuracy, reliability and consistency of information reported on the Federal Funding Allocation Statistics Form (FFA-10) for each applicable mode and type of service.

### *Impact fees*

With our extensive experience on New Mexico engagements, our teams possess the ability to evaluate compliance with the Development Fee Act, as outlined in NMSA 1978. We have the skills and experience to review each service area to assess compliance with requirements related to eligible capital improvement or facility expansion costs, as well as the timing of impact fee collections.

### *Landfill financial assurance*

Our work on New Mexico engagements has given our teams a strong understanding of the New Mexico Environment Department Solid Waste Management Regulations and the skills needed to report on compliance with regulatory requirements, including landfill closure and post-closure costs

Across all agreed-upon procedures engagements, we emphasize clarity, consistency, and thorough documentation. Our work is designed to meet defined compliance objectives while reducing disruption to City operations.

### Reviewing actuarial valuations

As noted in Phase 3 — Testing and Analysis under the sub-section Actuarial Data, we note the robust review we perform of the actuarial valuations. We utilize the auditing standards for a ***Use of a Management Specialist and Use of an Auditor's Specialist***.

Under ***Use of a Management Specialist*** procedures, we review the qualifications, contracting, competence, and approach of management's actuary that performs the valuation. We review those valuations to confirm the actuary is independent, verify there are no deviations from Actuarial Standards of Practice, confirm the objectives are suitable for GASB reporting, and determine the assumptions are in alignment with industry standards and the experience of the City. We also perform substantial testing of the census data used as the input to calculate the valuation information.

### Certificate of achievement assistance

The Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting is awarded to state and local governments that go beyond the minimum requirements of generally accepted accounting principles. It is awarded to state and local governments who produce an annual comprehensive financial report that evidences the spirit of transparency and full disclosure. Members of the GFOA staff and the GFOA Special Review Committee (SRC) review reports submitted to the ACFR program.



CLA provides audit services to many entities that received the GFOA Certificate of Excellence in Financial Report. All of the procedures noted in our audit approach and our technical review of the ACFR are done to help the City prepare and publish the top product possible. Our managers and principals who review the ACFR have a strong understanding of the GFOA requirement for the certificate. We understand that this is a prestigious award for the City and a great accomplishment for the Finance and Accounting departments.

We will review the GFOA comment letter for each ACFR and provide the City advice regarding the response to the GFOA reviewer’s comments. Our procedures with respect to the ACFR will be the review of the comments from GFOA on the prior year submission to determine they were adequately addressed, completion of the ACFR checklist, and review of the transmittal letter and statistical data to determine that information presented is reasonable and agrees with the information in the financial statements and management’s discussion and analysis (MD&A), where applicable.

We understand the interrelationships of the many and varied components of a governmental entity’s financial statements, allowing us to quickly determine errors or problems with the financial statements. Our depth of knowledge and experience also allows us to assist the City with the preparation of the ACFR and improvement of the City’s financial statements.

Our involvement with clients in the GFOA Certificate program helps to determine that we are on the leading edge of reporting trends and techniques. We have been engaged by various entities to review their statements for compliance with program requirements. We have aided clients in the early implementation of professional pronouncements and regularly provide our clients with updates on new pronouncements which will affect them and will do the same for the City.

*Clients that received a certificate of excellence from GFOA*

Below is a sampling of our governmental clients who have received the prestigious GFOA Triple Crown designation, which includes the Certificate of Excellence in Financial Reporting as well as the Distinguished Budget Presentation Award and the Popular Financial Reporting Award.

City of Albuquerque, NM	Polk County, FL
City of Lakewood, WA	Collier County, FL
City of Norfolk, VA	City of Fort Meyers, FL
City of Amarillo, TX	City of Cape Coral, FL
City of Portsmouth, NH	City and County of Denver, CO
St. Louis County, MO	Yorba Linda Water District, CA
Washington County, MN	County of San Bernardino, CA
Crow Wing County, MN	Moulton Niguel Water District, CA
City of Edina, MN	City of Riverside, CA
City of Coon Rapids, MN	City of Murrieta, CA
Carver County, MN	Maricopa County, AZ*
Howard County, MD*	City of Peoria, AZ
City of Rockville, MD	City of Mesa, AZ
College of DuPage, IL	Ozaukee County, WI

\* Triple-AAA bond rated by all three rating agencies



## Community involvement in New Mexico

CLA is deeply committed to fostering meaningful relationships and delivering impactful services across the state of New Mexico. Our presence in the region is marked by a combination of professional excellence, community engagement, and philanthropic investment. Through strategic partnerships with local governments, nonprofit organizations, and Indigenous communities, CLA brings both technical experience and a heart for service to every engagement.

Beyond our professional services, CLA empowers our team members to give back to the community through paid volunteer hours and support local causes via the CLA Foundation, which has granted more than \$16.5 million nationwide — including to organizations in New Mexico.

## Participation in quality improvement programs

We work with governmental entities across the country, and our exposure to the circumstances and issues that affect your industry will allow us to serve you with exceptional knowledge and insight. We understand the specific needs and challenges that regulated industries face and have been serving clients similar to the City for decades.

We are actively involved in and/or are members of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- AICPA's State and Local Government Expert Panel
- AICPA's Government Audit Quality Center (GAQC)
- Government Finance Officers Association (GFOA)
- Special Review Committee for the GFOA's Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program
- Association of Government Accountants
- New Mexico State Society of CPA's
- Government Accounting and Auditing Committee
- New Mexico State GFOA
- Accounting, Auditing and Financial Reporting Committee



Our participation in the aforementioned professional organizations, combined with various other technical services we subscribe to, allows us to be at the forefront of change in the government environment. We take seriously our responsibility for staying current with new accounting pronouncements, auditing standards, other professional standards, and laws and regulations.

## Additional services

In addition to the services outlined in this proposal, CLA collectively offers a wide breadth of highly customized services and capabilities to meet our clients’ wants and needs, including a sampling of the following:

- Forensic audits
- Cost segregation studies
- Internal audit, risk assessments, and evaluations
- Implementation assistance for complex accounting standards
- ACA Reporting
- Operational and financial systems consulting
- Operations and performance improvement
- Self-insured medical and PBM claim audits
- Cybersecurity and network vulnerability assessments
- Digital transformation
- Fraud risk assessment and investigations
- Strategic, financial, and operational consulting
- Outsourced accounting and public administration
- Strategic, business, and capital planning
- Organizational and financial health assessment
- Training and educational seminars
- Telecom cost savings assessments

We pride ourselves on taking the initiative to meet each and every need of our clients, and therefore are always prepared to take on additional projects. However, independence is our first concern when providing additional services. Independence can easily become impaired when providing consulting services; therefore, we do not provide any services to our audit clients beyond those allowed.

If additional work is requested by the City outside of the scope of the audit, we will discuss with you our proposed fee for additional services prior to beginning the new services.

## Your service team

Engagement Team Member	Role	Years of Experience
Emily Wilson, CPA, CFE, CIA <i>Principal</i>	<b>Engagement and relationship principal</b> – Emily will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. She is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.	10
Laura Beltran-Schmitz, CPA, CFE, CGFM, CICA	<b>Supporting and technical resource principal</b> – Laura will be the supporting principal and technical resource for the audit team as well as City personnel. Her many years of experience serving	20



Engagement Team Member	Role	Years of Experience
<i>Principal</i>	governmental entities in New Mexico will be an invaluable resource.	
Joe Kowalski, CPA <i>Principal</i>	<b>Quality assurance principal</b> – Joe will complete the quality review of all work performed and of all audit reports prior to issuance. The focus of this review is to confirm adherence to industry and firm quality control guidelines and to make sure the work performed supports the audit opinions issued.	33
Kelly Anderson, CPA <i>Manager</i>	<b>Engagement manager</b> – Kelly will act as the lead manager on the engagement. In this role, she will assist the engagement principal with planning the engagement and performing complex audit areas. She will perform a technical review of all work performed and is responsible for the review of the annual comprehensive financial report and all related reports.	4
Jim Kreiser, CISA, CRMA, CFSA <i>Principal</i>	<b>Information systems</b> – Jim and Lin will serve as Information Technology (IT) and General Control systems resources to the City’s engagement. They will perform a review of Information Systems (IS) controls to determine whether they are properly designed and operating effectively. For IS-related controls that we deem to be ineffectively designed or not operating as intended, they will communicate our findings and will provide recommendations to improve internal controls.	27
Lin Feng, CISA <i>Director</i>		6
<b>Additional Staff</b> – We will assign additional staff to your engagement based on your needs and their experience providing services to state and local governments. Ideally, the staff assigned to your team will be from our New Mexico offices with state and local government as their industry focus at CLA. Members of our National Quality Team will perform the complete the quality review of all work performed and of all audit reports prior to issuance. The focus of this review is to confirm adherence to industry and firm quality control guidelines and to make sure the work performed supports the audit opinions issued.		

Resumes for each of the above-named proposed team members have been provided in **Appendix A. Your service team biographies.**

#### *Use of an IT specialist for financial audits*

When a client has a complex IT environment or there are significant IT risks, CLA auditors may use IT specialists to assist with the IT risk assessment. IT risk assessments performed with the assistance of an IT specialist can provide key insights around IT-specific risks and leading business practices.

CLA developed a financial audit support (FAS) program to introduce new and enhanced guidance that facilitates the use of IT specialists in the audit of financial statements. The FAS program can ease complications and uncertainties associated with IT and the impact on financial reporting. The goal of CLA’s FAS program is to assist



auditors with understanding a client’s IT financial and core applications, IT infrastructure, and related risks by establishing a framework and consistent process for evaluating their IT environment.

## Continuity of service

We are committed to providing continuity throughout this engagement. It is our policy to maintain the same staff throughout an engagement, providing maximum efficiency and keeping the learning curve low. With a solid, steady engagement team, each year brings the additional benefits of trust and familiarity. We are also flexible in exploring alternative strategies to non-mandatory rotation policies.

In any business, however, turnover is inevitable. If and when it happens, we will provide summaries of suggested replacements and will discuss re-assignments prior to finalizing. We have a number of qualified staff members to provide the City with quality service over the term of the engagement.

CLA is committed to maintaining high staff retention rates, which we believe are a strong indicator of service quality. High retention rates also indicate that our staff members have the resources they need to perform their tasks and maintain a positive work/life balance.

## Continuing education program

To maintain and expand our assurance knowledge, we consistently provide continuing education for our professionals. Each member of our professional team, including principals, attends accredited continuing professional education (CPE) annually. Individuals are required to familiarize themselves with all current changes in standards and procedures. Updated information on recent changes in technical standards and regulations, as well as the firm’s professional policies and procedures, is distributed to our team members on a regular basis.



### On-the-job training

Our professionals focus on serving a specific industry. So, the team chosen to serve you is continuously exposed to and trained on issues impacting entities like yours while performing their day-to-day work.



### Tailored training

When providing instruction in our basic CPA, consulting, and advisory classes, we tailor the entire discussion, examples, and exercises to apply to clients in their specific industry focus.



### Specialized recruiting

Our on-campus recruiting aggressively seeks individuals with industry focused degrees and/or backgrounds. We focus on identifying top candidates for our clients.



### Effective continuing professional education

Our greatest strength is the talent of our staff. Our professionals provide more efficient and effective services due to the new ideas they implement from our in-depth training and continuing professional education.

CLA’s firm-wide training programs include:

- **Learn**—Designed for new CLA associates, this learning is typically attended in the first year of employment. This internally developed and presented training focuses on preparing new hires and interns to understand and perform their role in the audit process. Providing a combination of an introduction to CLA strategy, business risk and independence with audit theory using hands-on exercises and simulations to introduce our audit methodology, tools, and software. Specific audit areas covered include audit planning, cash, fixed assets, accounts payable, prepaids, documentation, and materiality.
- **Experience**—Designed for the CLA associate with about one year of experience, this learning is typically attended in the second year of employment. This training focuses on topics including analytics, sampling, internal controls, walkthroughs, analytical tools, and professional skepticism.
- **Achieve**—Designed for the CLA associate with about two years of experience, this learning is typically attended in the third year of employment. This internally developed and presented training focuses on leadership and performance management of audit engagements utilizing CLA audit methodology from the perspective of the experienced in-charge. Topics covered include detailed review, risk assessment, analytical tools, and professional skepticism.
- **Propel**—Designed for the CLA associate with about three years of experience, this learning is typically attended in the fourth year of employment. This training focuses on risk assessment, effective use of tools and programs, auditing complex areas, and professional skepticism.

CLA professionals are specifically trained on topics specific to the client industry they work in. The table below shows number of Yellow Book CPE credits for the past three years for your proposed team members.

Total Yellow Book CPE by Year			
Professional	2025	2024	2023
Emily Wilson	66.2	83.5	77
Laura Beltran-Schmitz	54.1	63.5	89
Joe Kowalski	20.3	71.6	-
Kelly Anderson	52.7	46.8	57.9
Jim Kreiser	33.6	46.4	39.6
Lin Feng	45	30.5	70



## 2.1.2.2 Past experience

### References

Our clients say it best. And their independent, authentic perspective is invaluable in learning about the experience you'll have when working with us. We encourage you to connect with our clients to hear more about it, firsthand.

#### New Mexico Taxation and Revenue Department

Client Contact	Denise Irion, Chief Financial Officer, Administrative Services Division Director
Phone Number   Email	505-819-8823   <a href="mailto:denise.irion@tax.nm.gov">denise.irion@tax.nm.gov</a>
Address	1200 South Saint Francis Drive, Santa Fe, NM 87505

#### Bernalillo County

Client Contact	Jacqueline Sanchez, Director of Accounting
Phone Number   Email	505-468-1401   <a href="mailto:jacsanchez@bernco.gov">jacsanchez@bernco.gov</a>
Address	415 Silver Avenue SW, 6 <sup>th</sup> Floor, Albuquerque, NM 87102

#### New Mexico Department of Justice

Client Contact	Rachel Apodaca, Chief Financial Officer
Phone Number   Email	505-859-5503   <a href="mailto:rapodaca@nmdoj.gov">rapodaca@nmdoj.gov</a>
Address	408 Galisteo Street, Santa Fe, NM 87501

#### City of Mesa

Client Contact	Irma Ashworth, Finance Director
Phone Number   Email	480-644-2605   <a href="mailto:irma.ashworth@mesaaz.gov">irma.ashworth@mesaaz.gov</a>
Address	20 East Main Street, Suite 350, Mesa, AZ 85211



Michelle Lujan Grisham  
Governor

Stephanie Schardin Clarke  
Cabinet Secretary

**DIVISIONS**  
Office of the Secretary  
(505) 827-0341  
Administrative Services  
(505) 827-0369  
Audit and Compliance  
(505) 827-0900  
Motor Vehicle  
(505) 827-2296  
Property Tax  
(505) 827-0870  
Revenue Processing  
(505) 827-0800  
Tax Fraud Investigation  
(505) 841-5578

February 24, 2026

To Whom It May Concern,

I am writing to highly recommend Clifton Larson and Allen LLP (CLA) as a public accounting firm to conduct financial and single audits. I have worked with CLA since 2019 in my capacity as Chief Financial Officer/Administrative Services Division Director at New Mexico Taxation and Revenue Department (Tax & Rev).

During their time as our external auditor, CLA was responsible for performing substantive testing for year-end audits including single audits, reviewing client internal controls and preparation of the financial statements. CLA conducted weekly milestone meetings to ensure audit deliverables were met. During these meetings, open communication and collaboration take place to discuss any accounting issue. CLA assisted Tax & Rev in the accounting treatment for rebate checks to New Mexicans as this was the first time for our State to issue these types of checks. Disclosures and accounting entries were discussed between Tax & Rev and CLA to determine the best approach for financial statement representation. CLA consulted other States to assist in the determination of the best path for Tax & Rev financial statement presentation which was mutually agreed upon.

CLA is very knowledgeable and has a skilled team to conduct financial and single audits. Their ability to communicate and work with the client in a timely manner to respond to client concerns while producing quality work is valuable.

CLA possesses the technical expertise and professionalism to conduct financial and single audits. I am confident that CLA will provide value added to their contract if chosen. Please do not hesitate to contact me at (505) 819-8823 or [denise.irion@tax.nm.gov](mailto:denise.irion@tax.nm.gov) if you require further information.

Sincerely,

**Denise A. Irion**  
Digitally signed by Denise A.  
Irion  
Date: 2026.02.24 12:44:13 -07'00'

Denise A. Irion  
CFO/ASD Director



## Accounting Department

Finance Division  
415 Silver Ave. SW, 6th Floor  
Albuquerque, NM 87102  
Office: (505) 408-1401  
jacsanchez@bernco.gov  
[www.bernco.gov](http://www.bernco.gov)

March 5, 2026

To Whom It May Concern,

Clifton Larsen Allen, LLP (CLA) served as the independent external auditors for Bernalillo County for the fiscal years ended June 30, 2016 through June 30, 2023. During their engagement, CLA performed the audit of our financial statements in accordance with generally accepted auditing standards (GAAS) and Government Auditing Standards. In addition, they conducted the Single Audit of our federal programs in accordance with the Uniform Guidance.

Throughout the audit process, the team demonstrated a high level of professionalism, technical expertise, and responsiveness. They maintained clear communication with management and staff and adhered to established timelines to ensure the timely completion of the audit.

CLA displayed a strong understanding of governmental accounting standards and federal compliance requirements. Their work was thorough, well-organized, and conducted with integrity and independence.

We appreciate the professionalism and dedication shown by CLA and would confidently recommend their services to other governmental entities seeking experienced and reliable audit professionals. If you have any questions regarding our experience working with CLA, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Jacqueline Sanchez".

Jacqueline Sanchez  
Director of Accounting



February 27, 2026

To Whom It May Concern,

I am pleased to provide this reference for the audit services provided by Clifton Larson Allen, LLP over the past three years.

During this period, their overall performance in meeting contract requirements, including cost management, adherence to schedule, quality of deliverables, and general client satisfaction has clearly and consistently exceeded contractual expectations. All engagements were completed within agreed timelines and budgets, and the level of professionalism demonstrated throughout has been exemplary.

The audits conducted during this engagement included multiple funding sources, including settlement funds, requiring careful attention to compliance, reporting accuracy, and financial accountability. The quality of work products delivered consistently exceeds expectations. Reports were thorough, well-organized, and demonstrated a strong understanding of applicable regulations and funding requirements.

In addition, the team has been exceptionally responsive to questions and concerns. They have demonstrated a proactive approach in identifying potential issues and resolving them promptly as they arose. Weekly meetings were conducted to monitor progress and ensure schedules remained on track. Any matters discussed during these meetings were addressed quickly and efficiently, reinforcing their strong communication practices and commitment to accountability.

Overall, we have been extremely satisfied with their services over the past three years. Their performance has consistently exceeded expectations, and we would not hesitate to recommend them for future engagements.

Should you require any further information, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Rachel C." followed by a flourish.

Rachel Apodaca  
Chief Financial Officer  
502-859-5503

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New Mexico Department of Justice  
408 Galisteo Street | Santa Fe, NM 87501 | (505) 490-4060 | NMDOJ.GOV



Financial Services

20 E Main St Suite 350  
PO Box 1488  
Mesa, Arizona 85211-1488

March 5, 2026

To Whom it May Concern:

I am happy to provide this letter of recommendation for CliftonLarsonAllen LLP. CliftonLarsonAllen LLP (CLA) has served as the City of Mesa, Arizona's auditing firm for 10+ years. I have been with the City of Mesa (City) for 13 years and, as the Finance Director, I have worked closely with CLA.

As the Finance Director for the City, I oversee the Accounting department, the staff who prepare the year-end entries, audit schedules, Annual Comprehensive Financial Report, and work with the audit team. I appreciate the level of service that we receive from CLA. CLA knows us. They know our staff, our business, our processes. This is a huge advantage and helps to ensure that the audit is completed efficiently and on time. Our scheduling is consistent from year to year, and if changes need to be made, we are notified well in advance so there aren't any surprises. For the most part, we have also had consistency in audit staffing. When there have been changes to the audit team it has been primarily due to promotions or normal attrition. CLA has worked hard to mitigate the impact of staffing changes by providing quality resources available to step in and assist.

I appreciate that we work together as a team to get through the audit process, there is open communication on the status of the audit and potential findings (if any). I value the resources that CLA has available and brings to the table. If I ever have questions on current issues/processes or in implementing new accounting standards, I know I can turn to them for information and guidance. I highly recommend CLA to any governmental entity. Please feel free to contact me directly if you have any further questions at [irma.ashworth@mesaaz.gov](mailto:irma.ashworth@mesaaz.gov) or (480) 644-2605.

Regards,

*Irma Ashworth*

Irma Ashworth, CPA  
Finance Director  
City of Mesa, Arizona



## Prior engagements with the state of New Mexico

The table below lists current and past engagements with the state of New Mexico during the past five years. This experience represents all engagements performed as CLA and under CLA’s quality control environment and methodology.

Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
New Mexico Public Education Dept. <i>2018 – Present</i>	Financial Statement and Single Audit	6,000	Amelia “Molly” Saiz Senior Manager-CFO, Audit and Accounting Administrative Services Department 505-500-9242
Albuquerque Public Schools <i>2025 – Present</i>	Financial Statement and Single Audit	5,000	Mark Turnbull, CPA Executive Director of Accounting 505-880-3762
<b>City of Albuquerque</b> <i>2022 – Present</i>	<b>Financial Statement and Single Audit/Agreed-Upon Procedures</b>	<b>3,400</b>	<b>Jason Shaw, CPA, City Controller DFAS   Financial Reporting 505-768-3430</b>
University of New Mexico – Health Sciences Center <i>2020 – Present</i>	Internal Audit and Various consulting	3,000	Bonnie White, CFO, UNM Hospitals 505-272-2111
City of Santa Fe <i>2022 – Present</i>	Various consulting	Various	Matthew Bonifer, CPA, Accounting Officer 505-660-2241
City of Santa Fe <i>2017 – 2021</i>	Financial Statement and Single Audit, AUPs	1,700	Matthew Bonifer, CPA, Accounting Officer 505-660-2241
Buckman Direct Diversion <i>2017 – 2021</i>	Financial Statement Audit	Various	Matthew Bonifer, CPA, Accounting Officer 505-660-2241
Santa Fe Solid Waste Management Agency <i>2017 – 2021</i>	Financial Statement Audit	Various	Thomasina Chavez, Accountant 505-424-1850 ext. 140
State of New Mexico (annual comprehensive financial report) <i>2013 – Present</i>	Financial Statement Audit	2,500	Mark Melhoff, Financial Control Division, <i>Acting State Controller</i> 505-827-3625



Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
New Mexico Dept. of Health <i>2014 – 2021, required rotation</i> <i>Consulting – FY22 – Present</i>	Financial Statement and Single Audit GASB 87/96 consulting	1,500 100-200	Eve Aufrichtig, CPA, Financial Accounting Director 505-470-4185 and Dominic Donio, CGFM, Financial Accounting Bureau Chief 505-690-0923
New Mexico General Services Dept. <i>2011 – 2016 and 2021 – Present</i>	Financial Statement and Single Audit, Other Consulting	1,500	Lakisha Holley, ASD Director 505-629-2529
New Mexico Mortgage Finance Authority <i>2019 – Present</i>	Financial Statement and Single Audit	1,400	Joseph McIntyre, Controller 505-767-2231
City of Rio Rancho <i>2017 – 2024</i>	Financial Statement and Single Audit, Other Consulting, AUPs	1,100	Carole H. Jaramillo, Director of Financial Svc. 505-896-8761
Bernalillo County <i>2016 – 2023</i>	Financial Statement and Single Audit	1,100	Jackie Sanchez, MBA, Director of Accounting and Budget 505-468-1401
New Mexico Environment Dept. <i>2011 – 2016 and 2019 – Present</i>	Financial Statement and Single Audit, Other Consulting and GASB 87 implementation for FY22	1,000	Miranda Ntoko, CFO 505-699-9176
New Mexico Early Childhood Education and Care Department <i>2020 – Present</i>	Financial Statement and Single Audit (Financial Statement audit only in FY20)	80/1,000	Carmel Pacheco-Aragon, CFO 505-901-8226
Las Cruces Public Schools <i>2017 – 2022</i>	Financial Statement and Single Audit	1,000	Chenyu “Alex” Liu, CFO - 2022 Ed Ellison, CFO - 2017-2022 Melissa Zuniga, ED of Finance - 2017-2022 575-527-5933
New Mexico State University <i>2020 – 2022</i>	Internal Audit	1,000	Rick Rivas, Interim Chief Audit Executive 575-646-4912



Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
New Mexico Administrative Office of the Courts <i>2021 – Present</i>	Financial Statement Audit and GASB 87 implementation for FY22	1,000	Robert Duran, CFO 505-479-2639
New Mexico Administrative Office of the Courts / Supreme Courts/Court of Appeals/Supreme Court Commission <i>2021 – Present</i>	GASB 87 implementation	1,000	Robert Duran, CFO 505-479-2639
New Mexico Energy, Minerals, and Natural Resources Department <i>2023 – Present</i>	Financial Statement and Single Audit	1,000	Matthew Lovato ASD Director/CFO 505-476-3321
New Mexico Public Employees’ Retirement Authority <i>2022 – Present</i>	Internal Audit	900	Lynette Kennard, CFO 505-470-3047
New Mexico Dept. of Game & Fish <i>2011 – 2016 and 2020 – Present</i>	Financial Statement and Single Audit, Other Consulting	850	Paul Varela, Administrative Services Chief 505-476-8073
New Mexico Dept. of Finance & Administration <i>2012 – 2014; 2018 – 2020; and 2022 – Present</i>	Financial Statement and Single Audit, Other Consulting	850	Mark Melhoff, Financial Control Division, <i>Acting State Controller</i> 505-827-3934
New Mexico Public Employees’ Retirement Authority <i>2016 – 2021</i>	Financial Statement Audit	850	Lynette Kennard, CFO 505-470-3047
New Mexico Dept. of Public Safety <i>2018 – Present</i>	Financial Statement and Single Audit, Other Consulting	800	Dennis Romero, Audit and Compliance Manager 505-618-0625
New Mexico State Treasurer’s Office <i>2011 – 2016 and 2021 – Present</i>	Financial Statement Audit	800	Joseph Cohen, CFO 505-955-1141



Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
New Mexico Department of Homeland Security <i>2016 – 2017 and 2019 – 2021</i>	Financial Statement and Single Audit, Other Consulting	800	Kelly J. Hamilton, DM Deputy Secretary 505-476-0868
New Mexico Taxation and Revenue Dept. <i>2014 – Present</i>	Financial Statement and Single Audit (Joint Venture OSA 17-19), Other Consulting	1,000	Denise Irion, ASD Director 505-827-0321
Mesalands Community College <i>2021</i>	Financial Statement and Single Audit	800	Natalie Gillard, President
New Mexico Regulation and Licensing Dept. <i>2018 and 2021</i>	Financial Statement Audit	700	Stuart Hamilton Acting ASD Director / Chief Financial Officer 505-476-4526
New Mexico Department of Cultural Affairs <i>2020 – 2022</i>	Financial Statement and Single Audit	700	Greg Geisler, CFO/ASD Director 505-470-9056
New Mexico Office of the Superintendent of Insurance <i>2024 – Present</i>	Financial Statement Audit	500	Amber Quintana, Chief Financial Officer 505-695-5197
City of Las Cruces <i>2024 – 2025</i>	ARPA Grant Consulting	500	Gabriela M. Prats, C.M., ACE, CNU-A Grant Manager/Financial Services/Fiscal Management 575-541-2430
New Mexico State Personnel Office <i>2024</i>	Financial Statement Audit	175	Jamie Trujillo, Fiscal and Administrative Services Manager 505-629-3365
New Mexico Workers' Compensation Administration <i>2020 – Present</i>	Financial Statement Audit	150	Jean Torres-Montoya, CFO 505-841-6847
Nor-Lea Hospital District <i>2022 – Present</i>	Financial Audit and Cost Report Preparation	500	Allyson Roberts, CFO
Eunice Health Clinic <i>2024 – Present</i>	Financial Audit	500	Casey Gage, Finance Specialist



Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
Roosevelt General Hospital <i>2023 – Present</i>	Financial Audit and Cost Report Preparation	500	Andrea King, CFO
Gila Regional Medical Center <i>2024 – Present</i>	Financial Audit	500	Leonard Binkley, Interim CFO
New Mexico Department of Veterans' Services <i>2020 – Present</i>	Financial Statement and Single Audit	500	Danelle Lucero, CFO 505-372-9035
New Mexico Corrections Department <i>2022 – Present</i>	GASB 87 Implementation and various consulting	500	Wanda M. Gonzales, Finance Bureau Chief 505-228-3780
New Mexico Department of Justice, formerly New Mexico Office of the Attorney General <i>2022 – Present</i>	Financial Statement and Single Audit	500	Rachel Apodaca Chief Financial Officer Financial Control 505-859-5503
Education Trust Board of New Mexico <i>2017 – Present</i>	Financial Statement Audit	450	Natalie Cordova, Executive Director 505-476-3860
New Mexico Lottery Authority <i>2016 – 2021</i>	Financial Statement Audit	300	Michael Boland, Internal Auditor 505-342-7600
Miners' Colfax Medical Center <i>2015 – 2022</i>	Financial Statement Audit, Other Consulting	300	Shawn Lerch, CFO 575-445-7722
New Mexico Dept. of Health <i>2022 – Present</i>	GASB 87/96 implementation and various consulting	300	Dominic Donio, CGFM Financial Accounting Bureau Chief 505-690-0923
New Mexico State General Fund <i>2018 – 2025</i>	Financial Statement Audit	275	Mark Melhoff, Financial Control Division, Acting State Controller 505-827-3625
New Mexico Second Judicial District Attorney <i>2011 – 2015 and 2019 – Present</i>	Financial Statement and Single Audit	250	Andrea Martinez District Office Manager / CFO 505-537-2484



Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
New Mexico Children, Youth, and Families Department <i>2024 – Present</i>	Internal Control Assessment	100-150	Phillipe V. Rodriguez Deputy Director/Co-CFO Children Youth and Families Department Administrative Services Division 505-699-9473
City of Albuquerque <i>2022</i>	GASB 87 implementation	200	Jason Shaw, CPA City Controller DFAS   Financial Reporting 505-768-3430
New Mexico Early Childhood Education and Care Department <i>2022 – Present</i>	GASB 87/96 implementation	200	Carmel Pacheco-Aragon, CFO 505-901-8226
New Mexico Taxation and Revenue Dept. <i>2022 – Present</i>	GASB 87/96 implementation	200	Denise Irion, ASD Director 505-827-0321
New Mexico Department of Cultural Affairs <i>2022 – Present</i>	GASB 87/96 implementation	200	Greg Geisler, CFO/ASD Director 505-470-9056
New Mexico General Services Dept. <i>2022 – Present</i>	GASB 87/96 implementation	200	Michael Lujan, ASD Director 505-827-1730
New Mexico Dept. of Public Safety <i>2022 – Present</i>	GASB 87/96 implementation	200	Dennis Romero, Audit and Compliance Manager 505-618-0625
New Mexico Sentencing Commission <i>2024 – Present</i>	Financial Statement Audit	200	Amanda Armstrong, Business Operations Manager 505-277-0844
New Mexico State Treasurer’s Office <i>2022 – Present</i>	GASB 87 implementation	200	Joseph Cohen, CFO 505-955-1141
New Mexico Supreme Court <i>2021 – Present</i>	Financial Statement Audit	150	Christopher Wolf, CFO 505-469-4662



Engagement Name and Dates	Scope of Work	Total Hours	Principal Client Contact
New Mexico Court of Appeals <i>2021 – Present</i>	Financial Statement Audit	150	Kimberly Tran, CFO 505-841-7202
Santa Fe County, New Mexico <i>2017 – Present</i>	Consulting: Internal Audit Services and other consulting services	Various	Yvonne Herrera, Finance Division Director 505-995-2781
New Mexico Gaming Control Board <i>2016 – 2024</i>	Financial Statement Audit	130	Cynthia Ortega-Armijo, Admin. Services Director 505-841-9747
New Mexico Office of Natural Resources Trustee <i>2025 – Present</i>	Financial Statement Audit	125	Kate Girard, Executive Director 505-313-1837
New Mexico Compilation Commission <i>2021 – Present</i>	Financial Statement Audit	110	Wendy Loomis, CFO 505-827-4928
Los Alamos County <i>2022 – Present</i>	ARPA and GASB 94 consulting	100	Helen Perraglio, CPA, CFO 505-662-8360
New Mexico State Ethics Commission <i>2020 – Present</i>	Financial Statement Audit	100	Jeremy Farris, Executive Director 505-490-0951



## 2.1.3 Proposed Approach to Tasks

### Understanding of the work to be performed

We have read the Request for Proposal (RFP) and understand the scope of the work to be performed as described in *RFP Part 3, Scope of Services*. Should CLA be selected to continue serving this engagement, we will perform these services within the time period specified in the RFP and as finalized in the planning stages of the engagement.

The audit will be performed in accordance with the prevailing auditing standards generally accepted in the United States of America, the prevailing standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, and the prevailing Single Audit requirements of the U.S. Office of Management and Budget (OMB) 2 CFR Part 200 Subpart F, and the provisions of 2.2.2 NMAC Requirements for Contracting and Conducting Governmental Audits of Agencies (New Mexico State Auditor Rule).

We will express opinions on the fair presentation of the City's governmental activities, business-type activities, each major fund, and aggregate remaining fund information. We will also express an "in relation to" opinion on certain supporting schedules. We will issue reports including a report on compliance and internal control over financial reporting based on an audit of the financial statements and a report on compliance and internal control over compliance applicable to each major program. We will perform certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

In addition to our reports on the financial statements, we will also issue reports identifying any significant deficiencies or material weaknesses in the design or operation of internal controls and other instances of non-compliance and other matters that were encountered during the course of our audits. Any significant deficiencies, material weaknesses, or other matters will also be reported to management in accordance with applicable auditing standards.



We understand the City is requesting the following services:

- Financial and Compliance Audit
  - Basic Financial Statements
  - Supplemental Information
    - Combining financial statements by fund type, and the individual fund financial statements
    - Individual fund budget comparison statements for the remaining funds that have an adopted budget, including proprietary funds and internal service funds, that did not appear as basic financial statement budget comparisons in the basic financial statements
    - Remaining supplementary information on schedules as required by Section 2.2.2.10(A)(2)(e) NMAC
  - Required Supplemental Information
    - The Management Discussion and Analysis (MD&A)
    - RSI data required by GASB 67 and 68 for defined benefit plans
    - RSI data required by GASB 75 for other post employment benefit plans
  - Single Audit of Federal Assistance
  - Schedule of Pledged Collateral Required by Subsection P of 2.2.2.10 NMAC
  - Schedule of Changes in Assets and Liabilities for Agency Funds Required by Subsection P of 2.2.2.10 NMAC (Note: With the implementation of GASB 84, this schedule is no longer applicable and required, the statements of fiduciary net position and changes in net position will be audited as part of the basic financial statements and supplemental information as applicable)
- Other Special Audits/Engagements
  - Separate Independent Auditors' Report for the Airport and OPEB Trust Funds
  - Agreed Upon Procedures-Transportation Section 15
  - Agreed Upon Procedures-Passenger Facilities Charges
  - Agreed Upon Procedures-Landfill Financial Assistance
  - Agreed Upon Procedures –Impact Fees
  - Additional Bond Tests

### Understanding the City's needs and products to be delivered

We understand that in order to meet the delivery terms, CLA must be prepared to commence preliminary audit work as soon as the contract is approved by the State Auditor. We shall deliver the auditor's reports and audited Annual Comprehensive Financial Report (ACFR) to the New Mexico Office of the State Auditor. We will adhere to all of the City's timelines as outlined in the RFP.



## Audit methodology

Many organizations view an audit as a requirement that doesn't contribute to their overall operations or value. At CLA, we believe an audit should be an annual check-up that gives you insight into your organization, allowing you to take advantage of opportunities and improve your operations.

**Our industry experience makes it easier** — CLA auditors are industry aligned, making our audit process fast and smooth. We focus on operational efficiency and leverage our industry experience to bring you meaningful insights that can positively impact your organization. A dedicated team of professionals will listen to your goals and concerns, then work with you to navigate industry pressures, changing markets, and complex standards, all with a common goal to drive your organization toward success.

**Your time has value** — Your day is filled with competing priorities and constant distractions. We elevate your experience by using a variety of communication tools, such as a web-based document portal, video conferencing, email, and phone calls, to keep everyone informed and on track. We focus on operational efficiency and leverage our industry experience to bring you meaningful insights that can positively impact your organization.

**No surprises** — We will provide the City with a no-surprises approach to our services, based on frequent and timely communication and clarity around roles and expectations. If issues arise during your audit, we engage the right people in a frank discussion to resolve them.

**Significant involvement of principals and managers** — Our leaders are directly involved in your engagement and can proactively identify significant issues and resolve them with management. Your time is best spent with key decision makers so you can ask clarifying questions, discuss organizational strategies, and navigate sensitive reporting issues.

**We tailor the audit just for you** — While our audit programs provide typical approaches for given audit areas, CLA designs a client-specific, risk-based audit approach for each client. We use custom, industry-tailored programs, procedures, and tools designed specifically to focus on applicable risks.

**You'll learn about what we're doing and what we've found in plain, everyday language** — By working closely with your staff, CLA continuously learns about your organization. This involvement enables us to offer recommendations for improvements in your systems and procedures that are more comprehensive and better understood, enhancing your ability to implement them.

When performing an audit, we are sensitive and understanding of the fact that we report to those charged with governance. We maintain objectivity and independence to be able to issue our audit opinions. We will act within our philosophy of total client service, maintain the professional relationship refined with management, and fulfill our responsibilities with the utmost professionalism.

**Year-long support** — We encourage your staff to take advantage of our accessibility throughout the year for questions that may arise. Our people can provide proactive advice on new accounting or GAAP pronouncements and their potential impact; help with immediate problems, including answers to brief routine questions; and share insights and leading practices to assist in planning for your future success.



## Services approach

### The CLA Seamless Assurance Advantage (SAA)

The CLA Seamless Assurance Advantage (SAA) is an innovative approach to auditing that utilizes leading technologies, analytics, and audit methods to help solve client problems and create a seamless experience.



#### **A different approach**

SAA is unlike any conventional audit process. SAA does not depend on physical location. It reduces the time our professionals spend on site, creates fewer disruptions, enables more efficient use of resources (yours and ours), and allows for more impactful interactions with your people.



#### **Insights through analytics**

CLA uses strategic data analysis to examine whole data sets to gain a deeper understanding of your organization. Insights that were once impossible can now come into focus to help you measure performance, enhance strategic decision making, and understand your competitive opportunities.



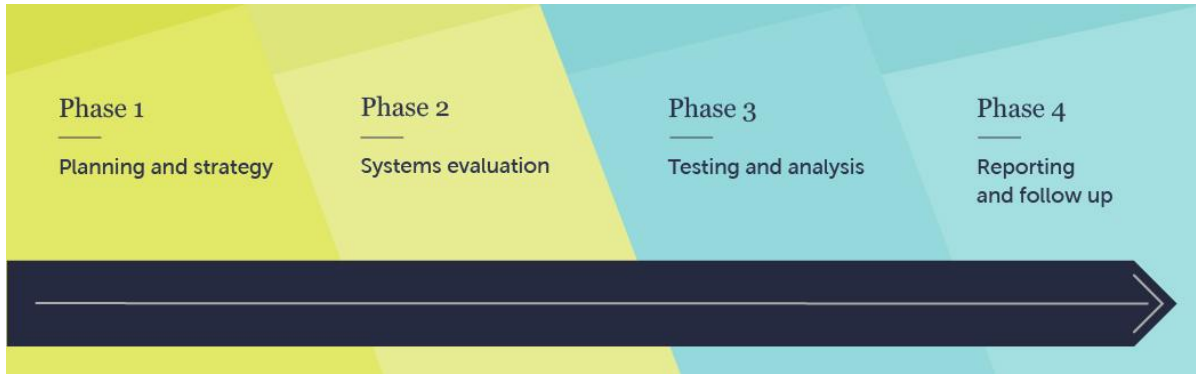
#### **Effective technology**

Client HQ is a personalized hub designed to deliver the content and resources most relevant to your business. From industry insights to tools curated specifically for you, Client HQ helps you stay informed and ahead.

Within this hub, HQ Exchange is the engagement platform that powers your relationship with CLA. Whether your engagement involves assurance, tax, consulting, or a combination, HQ Exchange provides a single point of access where you can track progress, share information securely, and maintain visibility into the work we're doing together.



## Financial statement audit approach



### *Phase 1: Planning and strategy*

The main objective of the planning phase is to identify significant areas and design efficient audit procedures.

- Conduct an entrance meeting. Emily Wilson, your proposed engagement principal, and staff will meet with City personnel to agree on an outline of responsibilities and time frames
  - Establish audit approach and timing schedule
  - Determine assistance to be provided by City personnel
  - Discuss application of generally accepted accounting principles
  - Address initial audit concerns
  - Establish report parameters and timetables
  - Progress reporting process
  - Establish principal contacts
- Gain an understanding of your operations, including any changes in organization, management style, and internal and external factors influencing the operating environment
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment
- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using TeamMate Analytics and Expert Analyzer (TeamMate), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the City, and establish deadlines

We will document our planning through:

- **Entity profile** — This profile will help us understand the City's activities, organizational structure, services, management, key employees, and regulatory requirements.
- **Preliminary analytical procedures** — These procedures will assist in planning the nature, timing, and extent of auditing procedures that will be used to obtain evidential matter. They will focus on enhancing our understanding of the financial results and will be used to identify any significant transactions and events that have occurred since the last audit date, as well as to identify any areas that may represent specific risks relevant to the audit.
- **General risk analysis** — This will contain our overall audit plan, including materiality calculations, fraud risk assessments, overall audit risk assessments, effects of our IS assessment, timing, staffing, client assistance, a listing of significant provisions of laws and regulations, and other key planning considerations.

- **Account risk analysis** — This document will contain the audit plan for the financial statements, including risk assessment and the extent and nature of testing by assertion.
- **Prepared by client listing** — This document will contain a listing of schedules and reports to be prepared by City personnel with due dates for each item.
- **HQ Exchange** — HQ Exchange is where your engagement lives. It creates clarity and accountability by making every step of the process visible to you, from initial planning through final delivery. By using HQ Exchange across all CLA service lines, we bring a consistent way of working — reducing the need for duplicate conversations and helping prevent things from getting lost between teams. For you, this means fewer surprises, faster answers, and confidence that your entire CLA team is aligned and working toward the same goals. Even with many professionals involved, HQ Exchange makes the experience feel seamless, collaborative, and transparent.

The audit engagement will be planned under the direction of the engagement leader and in-charge. We will clearly communicate any issues in a timely manner and will be in constant contact as to what we are finding and where we expect it will lead.

Using the information we have gathered and the risks identified, we will produce an audit program specifically tailored to the City that will detail the nature and types of tests to be performed. We view our programs as living documents, subject to change as conditions warrant.

### *Phase 2: Systems evaluation*

We will gain an understanding of the internal control structure of the City for financial accounting and relevant operations. Next, we will identify control objectives for each type of control material to the financial statements, and then identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. Finally, we will determine the nature, timing, and extent of our control testing and perform tests of controls. This phase of the audit will include testing of certain key internal controls:

- Electronic data, including general and application controls reviews and various user controls
- Financial reporting and compliance with laws and regulations

We will test controls over certain key cycles, not only to gather evidence about the existence and effectiveness of internal control for purposes of assessing control risk, but also to gather evidence about the reasonableness of an account balance. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality.

Our assessment of internal controls will determine whether the City has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

- Transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements and to maintain accountability over assets
- Assets are safeguarded against loss from unauthorized acquisition, use, or disposition
- Transactions are executed in accordance with laws and regulations that could have a direct and material effect on the financial statements

We will finalize our audit programs during this phase. We will also provide an updated prepared by client listing based on our test results and anticipated substantive testing.



During the internal control phase, we will also perform a review of general and application information services/information technology (IS/IT) controls for applications significant to financial statements to conclude whether IS general controls are properly designed and operating effectively.

Based on our preliminary review, we will perform an initial risk assessment of each critical element in each general control category, as well as an overall assessment of each control category. We will then assess the significant computer-related controls.

For IS/IT-related controls we deem to be ineffectively designed or not operating as intended, we will gather sufficient evidence to support findings and will provide recommendations for improvement. For IS controls we deem to be effectively designed, we will perform testing to determine if they are operating as intended through a combination of procedures, including observation, inquiry, inspection, and re-performance.

### *Phase 3: Testing and analysis*

The extent of our substantive testing will be based on results of our internal control tests. Audit sampling will be used only in those situations where it is the most effective method of testing.

After identifying individually significant or unusual items, we will decide the audit approach for the remaining balance of items by considering tolerable error and audit risk. This may include (1) testing a sample of the remaining balance; (2) lowering the previously determined threshold for individually significant items to increase the percent of coverage of the account balance; or (3) applying analytical procedures to the remaining balance. When we elect to sample balances, we will use TeamMate to efficiently control and select our samples.

Our workpapers during this phase will clearly document our work as outlined in our audit programs. We will provide the City with status reports and be in constant communication with the City to determine that all identified issues are resolved in a timely manner. We will hold a final exit conference with the City to summarize the results of our fieldwork and review significant findings.



#### *Phase 4: Reporting and follow up*

Reports to management will include oral and/or written reports regarding:

- Independent Auditors' Report
- Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Independent Auditors' Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance*
- Schedule of Findings and Questioned Costs
- Written Communication to Those Charged with Governance, which includes the following areas:
  - Our responsibility under auditing standards generally accepted in the United States of America
  - Changes in significant accounting policies or their application
  - Unusual transactions
  - Management judgments and accounting estimates
  - Significant audit adjustments
  - Other information in documents containing the audited financial statements
  - Disagreements with the City
  - City consultations with other accountants
  - Major issues discussed with management prior to retention
  - Difficulties encountered in performing the audit
  - Fraud or illegal acts

The City will be provided with a draft of any comments that we propose to include in the schedule of findings and questioned costs during our regularly scheduled check-in meetings, enabling you to review the comments for accuracy prior to final release. The Schedule of Findings and Questions Costs will include items noted during our analysis of your operations or matters of noncompliance with New Mexico Statutes, as required by the New Mexico State Audit Rule.

We will also make a formal presentation of the audit results to management and governance at the exit conference, prior to submission to the New Mexico Office of the State Auditor.

Once the final reviews of working papers and financial statements are completed, our opinion, the financial statements, and the schedule of findings and questioned costs will be submitted to the New Mexico Office of the State Auditor for their review and release.

#### *Elevating with artificial intelligence (AI)*

CLA is committed to harnessing cutting-edge technology to enhance client service. We may use AI to enhance your audit engagements. This can include:

- **Research and document drafting:** CLA professionals may use Microsoft Copilot to ask questions and make requests of generative AI with secure access to CLA-specific resources.
- **Document summarization:** We may use CLA Family Assistant to help extract and summarize information relevant to our audits, including minutes review, leases, debt agreements, and other document types.
- **Invoice extraction:** CLA may use AI tools to extract relevant fields from invoices and other documents.

When AI is used, the work is supervised by CLA professionals who verify results before making final decisions. Client information remains confidential when working with these tools.



## Single audit approach

OMB's *Uniform Guidance* (2 CFR Part 200) affects how federal grants are managed and audited and impacts every organization that receives federal assistance. Grant compliance can be a confusing topic and many of our clients rely on their federal funding as a major revenue source, so it is important that they understand what these changes mean to their organization. As a leader in the industry, CLA professionals are available to provide guidance and tools tailored to the City's needs, and to assist in compliance with these rules.

The AICPA clarified auditing standard, AU-C 935 "Compliance Audits," requires risk-based concepts to be used in all compliance audits including those performed in accordance with 2 CFR Part 200. Our risk-based approach incorporates this guidance.

We will conduct our single audit in three primary phases, as shown, below:



### *Phase 1: Risk assessment and planning*

The risk assessment and planning phase will encompass the overall planning stage of the single audit engagement. During this phase, we will work closely with the City's management to determine that programs and all clusters of programs are properly identified and risk-rated for determination of the major programs for testing. We will also review the forms and programs utilized in the prior year to determine the extent of any changes which are required.

We will accomplish this by following the methodology below:

- Determine the threshold to distinguish between Type A and B programs, including the effect of any loans and loan programs
- Utilizing the preliminary Schedule of Expenditure of Federal Awards, we will identify the Type A and significant Type B programs (25% of Type A threshold) in accordance with the *Uniform Guidance*
- Identify the programs tested and the findings reported for the past two fiscal years. Determine and document the program risk based on the past two single audits
- Prepare and distribute Type B program questionnaires to determine risk associated with Type B programs
- Determine the major programs to be tested for the current fiscal year based on the previous steps
- Based on our determination of the major programs, we will obtain the current year compliance supplement to aid in the determination of direct and material compliance requirements, and customize the audit program accordingly
- Determine the preferred methods of communication during the audit

### *Phase 2: Major program testing*

We will determine the programs to be audited based on the risk assessment performed in the planning phase. We will perform the audit of the programs in accordance with *Uniform Guidance*.

To accomplish this, we will perform the following:

- Schedule an introductory meeting and notify the City's management of the major programs for the current fiscal year
- Plan and execute the testing of the expenditures reported on the Schedule of Expenditures of Federal Awards
- Perform tests of compliance and internal controls over compliance for each major program identified
- Schedule periodic progress meetings to determine that schedules are adhered to and identify issues as they arise
- Conduct entrance and exit conference meetings with each grant manager

### *Phase 3: Final assessment and reporting*

We will re-perform the steps noted in the preliminary assessment and planning stage once the final Schedule of Expenditures of Federal Awards is received to determine if additional major programs were identified.

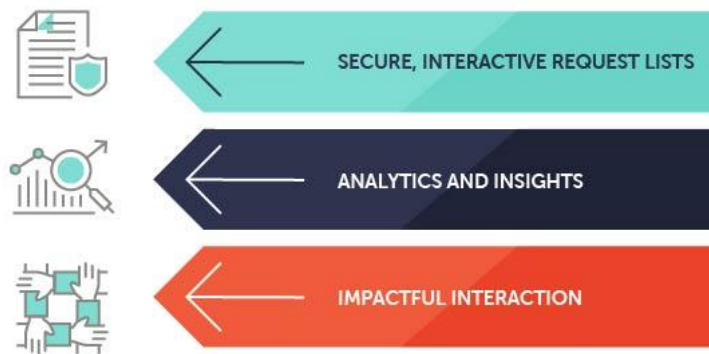
Based on the final determination of the programs we will perform the following:

- Identify Type A and significant Type B programs which were not previously identified
- Re-assess the risk and determine if we are required to audit additional programs
- Perform compliance testing at the entity wide level related to procurement and cash management requirements
- Perform testing to validate the status of prior year findings for those programs not selected for audit
- Prepare the Schedule of Findings and Questioned Costs
- Conduct exit conference with the City's management to review drafts of required reports:
  - Independent Auditors' Report on Internal Control over financial reporting and on compliance and other matters based on an audit of Financial Statements Performed in accordance with *Government Auditing Standards*
  - Independent Auditor's Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance*

Throughout the single audit, we will maintain communication through periodic progress meetings with those designated by the City. These meetings will be on a set schedule, but as frequently as the City determines. During these meetings, we will discuss progress impediments and findings as they arise.

## Use of technology in the audit

We're reimagining the audit process through technology to elevate your experience!



**Client HQ** — Client HQ is CLA's personalized digital hub, built to give clients easy access to relevant insights, resources, and connections. Within Client HQ, HQ Exchange serves as the central workspace for all your CLA engagements. It brings transparency and consistency across service lines, so no matter how many teams or professionals are supporting you, the experience is seamless and coordinated.

**Assurance Integrated System (AIS)** — AIS is CLA's new assurance methodology platform and includes audit programs, risk assessments, and many of our template forms that can be completed and updated online by individuals that you designate.

**TeamMate Analytics and Expert Analyzer (TeamMate)** — To analyze and understand large data sets, we use TeamMate Analytics and Expert Analyzer. We customize the application by industry in order to perform the most applicable procedures. This allows us to analyze large datasets for anomalies, trends, and risks. Far beyond the audit application, our six-phase process of Risk Assessment, Data Analytics and Review (RADAR) can also provide actionable insights to help you understand your entity better.

**Microsoft® Teams** — Our services approach focuses on impactful interactions. We've said goodbye to the days of setting up camp in our clients' conference rooms for weeks on end. We know our clients have organizations to run, so our interactions have purpose. To assist with communications when we are not onsite, we utilize tools such as Microsoft Teams, which allow for two-way screen sharing and video. We've found this helps reduce disruptions in our clients' environments while continuing to effectively communicate with each other.

## Data analytics

In addition to standard auditing methodology, a distinguishing aspect of CLA’s audit services incorporates the power of data analytics to multiply the value of the analyses and the results we produce for clients. CLA’s data methodology is a six-phase, systematic approach to examining an organization’s known risks and identifying unknown risks. Successful data analysis is a dynamic process that continuously evolves throughout the duration of an engagement and requires collaboration of the engagement team.

Data analytics are utilized throughout our audit process, our **Risk Assessment, Data Analytics and Review (“RADAR”)** is a specific application of general ledger data analytics that has been implemented on all audit engagements. RADAR is an innovative approach created and used only by CLA that aims to improve and replace traditional preliminary analytics that were being performed.

The phases in our data analytics process are as follows:

### 1. Planning

In the planning stage of the engagement, the use of data analysis is considered and discussed to determine that analytics are directed and focused on accomplishing objectives within the risk assessment. Areas of focus, such as journal entries, cash disbursements, inventory, and accounts receivable are common.

### 2. Expectations

We consider the risks facing our client and design analytics to address these risks. Through preliminary discussions with management and governance, we develop and document expectations of financial transactions and results for the year. These expectations will assist in identifying anomalies and significant audit areas in order to assess risk.

### 3. Data acquisition

Sufficient planning, a strong initial risk assessment, and an adequate understanding of your systems will serve as the foundation necessary to prepare our draft data request list. We will initially request information in written format and conduct follow-up conversations helping CLA practitioners share a mutual understanding of the type of data requested and the format required. If there are going to be any challenges/obstacles related to obtaining data, or obtaining data in the preferred format, they will generally be discovered at this point.



#### 4. Technical data analysis

Technical analysis of the data requires the skillful blend of knowledge and technical capability. Meaningful technical analysis provides the engagement team with a better understanding of the organization. The additional clarity assists the engagement team to better assess what is “normal” and, in turn, be better suited to spot anomalies, red flags, and other indications of risk. Analytics generally fall into five categories, each looking into the data set in a different way and deployed with a different purpose.



#### 5. Interpret results and subsequent risk assessment

Trends and anomalies will be identified through the performance of the above referenced analytics. Comments regarding the interpretation of those trends and anomalies will be captured. When trends are identified, they are reconciled against expectations. For anomalies identified, the approach to further audit procedures will be considered.

#### 6. Response and document

The last process is to capture responses and determine that our procedures are properly documented. Abstracts, charts, or summaries of both trends and anomalies are retained in audit documentation to support our identification of risks. Our analysis can be tailored and customized to help analyze an array of information, including client-specific and proprietary data. Key benefits of data analytics include:

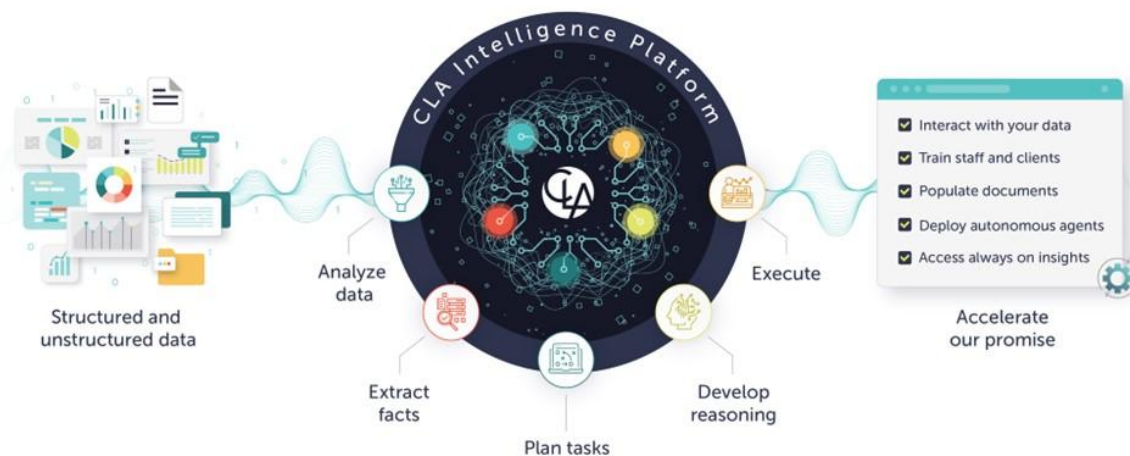
- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100% data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unlimited data access allows us to access and analyze data from virtually any computing environment
- Eliminates the need to extrapolate information from errors (a common effort when manually auditing data) and allows for more precise conclusions

The below figure illustrates typical data analytics scenarios.



## CLA Intelligence Platform: Digital services and generative AI

Let us help you harness cutting-edge technology to transform the way your teams work and uncover deeper business and financial insights.



Digital transformation is no longer optional, it's a necessity. With CLA, you'll find a [comprehensive suite of capabilities](#) spanning automation and integration, data analytics, software, and cybersecurity — offering you new opportunities to navigate and thrive in the digital age.

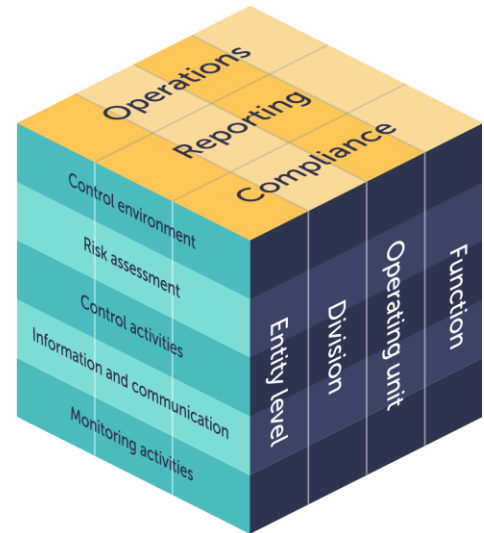
By leveraging digital product solutions and services, you can improve your business operations and achieve big goals, whether that's streamlining processes, enhancing customer experiences, embracing generative artificial intelligence (AI), or driving innovation. We help you put digital solutions in place to:

Drive growth and profitability	Drive more value from software	Gain efficiencies and quality
Improve employee experience and retention	Make data-driven decisions	Make your data work for you
Manage security more effectively	Put the power of AI in your hands	Reduce cyber and other threats

## Procedures used to understand internal processes and controls

We understand changing audit firms would require a new set of auditors to develop an understanding of the City, operations, and system of internal control. We also strive to develop our understanding in the least intrusive manner possible, while still maintaining our professional responsibilities. We would utilize a combination of internal control forms and interviews with key accounting personnel to gain and document our understanding of the City. We will also use as a baseline any existing internal control processes, policies, organizational charts, etc. the City may have already documented. Walk through procedures are performed for certain controls to evaluate whether the control is effectively designed and determine it has been implemented.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) has established a framework for internal control systems. Under the COSO framework, internal control is a process to provide reasonable assurance that those internal objectives, including effectiveness and efficiency of business operations, reliability of financial reporting, and compliance with applicable laws and regulations, will be met, if applicable.



Our audit approach is designed to evaluate and walk through certain internal controls in accordance with COSO concepts. Our procedures include a review of the entity's control environment, risk assessment process, control activities, information and communications relevant to preparation of the financial statements, and monitoring activities of the system of internal control.

During the planning and risk assessment phases of our audit, we will develop our understanding of the City business operations and system of internal control for financial reporting through observation, discussion, and inquiries with management and appropriate personnel. During this phase of the audit, we will review budgets and related materials, organization charts, accounting and purchase manuals, and other systems of documentation that may be available.

Once we understand your operations and system of internal control for financial reporting, we will then identify control objectives for each significant class of transactions, account balances, or disclosures. The next step will be to identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. We will then determine the nature, timing, and extent of our control procedures.

## Working with internal audit

We will hold an initial meeting with the head of internal audit during the planning and strategy phase of the audit and will discuss internal audits performed procedures related to fiscal year under audit such as the following:

- Internal audit plan and scope
- Management's views on acceptable business practices and ethical behavior
- Fraud risks that have been identified
- Procedures performed to identify or detect fraud
- Knowledge of actual or suspected fraud
- Knowledge of allegations of fraud
- Knowledge of any instances of management override of controls

## Level of staff and number of hours to be assigned

Our project management methodology results in a client service plan that provides for regular, formal communication with the entire management team and allows us to be responsive to your needs. The schedule allows for input from your personnel to make certain the services are completed based on your requirements. The plan may also be amended during the year based on input from the internal auditor.

Please see the below charts for the level of staff and approximate number of hours to be assigned to each proposed phase:

Financial Statement Audit/Special Engagements/Audits					
Engagement Segment	Engagement, Technical, and Resource Principals	Engagement Managers/Directors	Information Systems Resources	All Other Engagement Staff	Total Hours
Planning	142	203	38	125	508
Internal control and documentation	85	197	26	357	665
Testing and review	243	466	15	680	1,404
Reporting and meetings	126	154	12	36	328
<b>Total</b>	<b>596</b>	<b>1,020</b>	<b>91</b>	<b>1,198</b>	<b>2,905</b>

Single Audit					
Engagement Segment	Engagement, Technical, and Resource Principals	Engagement Managers/Directors	Information Systems Resources	All Other Engagement Staff	Total Hours
Risk assessment and planning	38	70	7	60	175
Major program testing	16	70	5	130	221
Final assessment and reporting	33	28	3	10	74
<b>Total</b>	<b>87</b>	<b>168</b>	<b>15</b>	<b>200</b>	<b>470</b>

## Timeline

We are committed to completing the engagement within the specified time frames. The following is our proposed schedule for the engagement.

Step	Audit Segments	Timing
1	<p><b>Pre-Engagement Planning Upon Award</b></p> <ul style="list-style-type: none"> <li>Identify applicable local, state, and federal regulations</li> <li>Organize and initiate audit staff and services</li> <li>Meet with the City’s Audit or Finance Committee to perform two-way communication and discuss the audit</li> <li>Schedule and hold an entrance conference with the City’s management and other key personnel</li> <li>Review the City’s interim financials and budget</li> <li>Prepare list of documents, schedules, and requests including corresponding deadlines for the City’s review</li> </ul>	Upon Award
2	<p><b>Interim and Preliminary Fieldwork</b></p> <ul style="list-style-type: none"> <li>Perform IT system reviews and testing</li> <li>Perform year-end inventory counts at City locations</li> <li>Request confirmations</li> <li>Determine major programs to be tested as part of the single audit</li> <li>Perform testing on-site, including test of controls and compliance testing for the financial and single audits</li> <li>Perform state compliance testing</li> <li>Preliminary analytical reviews</li> <li>Perform data analysis on the City’s financial data</li> <li>Assess existing practices, procedures, and systems</li> <li>Review results of preliminary work and modify audit program as needed</li> <li>Perform risk interviews with Office of Inspector General, Internal Audit, and other identified individuals</li> </ul>	May-July
3	<p><b>Year-end Fieldwork (Part 1)</b></p> <ul style="list-style-type: none"> <li>Perform substantive testing on funds received (capital project funds, permanent funds, fiduciary funds, debt service funds, enterprise funds, internal service funds, and special revenue funds)</li> <li>Perform analytical reviews of funds received</li> <li>Complete any open testing of controls from preliminary fieldwork</li> <li>Testing of single audit programs</li> <li>Review workpapers as completed</li> </ul>	August-September



Step	Audit Segments	Timing
4	<p><b>Year-end Fieldwork (Part 2)</b></p> <ul style="list-style-type: none"> <li>• Perform substantive testing on funds received (general fund, capital projects funds, internal service funds, enterprise funds, and special revenue funds)</li> <li>• Perform group audit procedures for the Albuquerque Housing Authority and Apartments Fund</li> <li>• Complete final analytical reviews</li> <li>• Complete any open testing of single audit programs</li> <li>• Final review of workpapers, including concurring principal review</li> </ul>	October-November
6	<p><b>Reporting*</b></p> <ul style="list-style-type: none"> <li>• Perform review of client prepared ACFR</li> <li>• Quality control review process</li> <li>• Present audit report (exit conference) to City executive and accounting staff</li> <li>• Finalize and submission of all required reports to the State Auditor (NM OSA) on or before December 15.</li> </ul>	November-December
	<p><b>Reporting</b></p> <ul style="list-style-type: none"> <li>• Submit electronic audit reporting package to Federal Audit Clearinghouse</li> </ul>	Upon report release
7	<ul style="list-style-type: none"> <li>• Planning and weekly status meetings</li> <li>• Review and discussion of any comments or findings</li> </ul>	Ongoing

\*Special Audits/Engagements and Related Reports will be discussed further with management upon award to determine the timing.

## Approach to fees

In reference to *Appendix A, Cost*, of the City's RFP, please find our fee proposal under separate cover.

The value we can provide your organization goes beyond meeting your compliance needs. We can help you discover opportunities to enhance your performance and achieve your strategic goals. Our insights and strategies are tailored to your specific situation and represent a return on your investment.

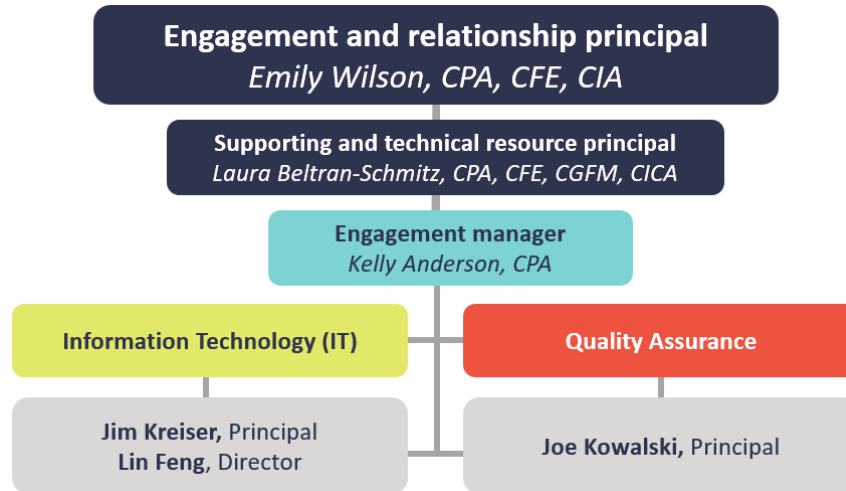
CLA understands the importance of providing our clients with value-added strategies. We propose to provide routine, proactive quarterly meetings—as part of our fee—that will allow us to review and discuss with you the impact of new accounting issues, as well as any other business issues you are facing and how they should be handled. This level and frequency of interaction will no doubt enable CLA to help you tackle challenges as they come up and take full advantage of every opportunity that presents itself.

Our clients don't like fee surprises. Neither do we. We commit to you, as we do all of our clients, that:

- We will be available for brief routine questions at no additional charge, a welcome investment in an ongoing relationship.
- Like most firms, we are investing heavily in technology to enhance the client experience, protect our data environment, and deliver quality services. We believe our clients deserve clarity around our technology and client support fee, and we will continue to be transparent with our fee structure.
- Any additional charges not discussed in this proposal will be mutually agreed upon up front.
- We will always be candid and fair in our fee discussions, and we will avoid surprises.



## 2.1.4 Management Summary



### Individual staff responsibilities

<p>Emily Wilson, CPA, CFE, CIA</p> <p><i>Principal</i></p>	<p><b>Engagement and relationship principal</b> – Emily will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. She is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.</p>
<p>Laura Beltran-Schmitz, CPA, CFE, CGFM, CICA</p> <p><i>Principal</i></p>	<p><b>Supporting and technical resource principal</b> – Laura will be the supporting principal and technical resource for the audit team as well as City personnel. Her many years of experience serving governmental entities in New Mexico will be an invaluable resource.</p>
<p>Joe Kowalski, CPA</p> <p><i>Principal</i></p>	<p><b>Quality assurance principal</b> – Joe will complete the quality review of all work performed and of all audit reports prior to issuance. The focus of this review is to confirm adherence to industry and firm quality control guidelines and to make sure the work performed supports the audit opinions issued.</p>
<p>Kelly Anderson, CPA</p> <p><i>Manager</i></p>	<p><b>Engagement manager</b> – Kelly will act as the lead manager on the engagement. In this role, she will assist the engagement principal with planning the engagement and performing complex audit areas. She will perform a technical review of all work performed and is responsible for the review of the annual comprehensive financial report and all related reports.</p>
<p>Jim Kreiser, CISA, CRMA, CFSA</p> <p><i>Principal</i></p>	<p><b>Information systems</b> – Jim and Lin will serve as Information Technology (IT) and General Control systems resources to the City’s engagement. They will perform a review of Information Systems (IS) controls to determine whether they are properly designed and operating effectively. For IS-related controls that we deem to be ineffectively designed or not operating as intended, they will communicate our findings and will provide recommendations to improve internal controls.</p>
<p>Lin Feng, CISA</p> <p><i>Director</i></p>	

## Interface and communication with City of Albuquerque staff

Effective communication is critical to a successful engagement. This includes weekly status meetings where observations, potential exceptions, and leading practices are discussed. To avoid surprises at the end of the engagement, we discuss and document our observations, clarify fact patterns, and confirm management's understanding and agreement with our findings. CLA adheres to all auditing standards related to reporting observations, recommendations, and findings. All significant deficiencies and material weaknesses will be reported to the audit committee/governance in writing.

**Report to those charged with governance** — In addition to observations and recommendations, we will inform the audit committee of:

- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments and passed adjustments, if any
- Disagreements with management, if any
- Management consultation with other accountants, if any
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

We are sensitive and understanding of the fact that we report to those charged with governance, and our audit professionals maintain objectivity and independence in issuing audit opinions. If we identify significant fraud, illegal acts, or significant delays during the audit process, we will alert the audit committee timely.

Information related to overall fiscal health or other concerns of your organization observed during audit testing will be presented in the exit presentation. We will also help you create opportunities for improvement through recommendations and suggestions for strengthening your policies, accounting procedures, and processes.

### Assistance from the City

We request that the City provide access to all records required for the audits and other requirements of the contract. In addition, we request that you assign a "project coordinator" through whom we will communicate and coordinate activities. We do not foresee needing the City's staff other than during normal business hours.

To assist in this process, we will provide a detailed Prepared by Client list early in the engagement. We will ask that your accounting staff provide us with standard schedules, as well as additional requested supporting items. We anticipate that your accounting personnel will need to locate and submit to us certain invoices, vouchers, cancelled checks, and other documents and records. We are extremely flexible as to the format in which we receive this information and to the extent possible will use the latest technology to help minimize the level of effort of your personnel.

We will depend on your staff to provide us with as much information as possible, in an effort to limit everyone's time on the engagement and, ultimately, to save your organization money.



# Appendix

## A. Your service team biographies





# Emily Wilson, CPA, CFE, CIA

## CLA (CliftonLarsonAllen LLP)



Principal  
Albuquerque, New Mexico

505-222-3585  
emily.wilson@CLAconnect.com

### Profile

Emily is a principal in the Albuquerque, New Mexico providing governmental auditing, accounting, and consulting services. She has ten years of experience auditing state agencies and other governmental sector clients.

### Technical experience

- State and local government audits
- Federal grant financial and compliance audit
- Internal audits

### Education and professional involvement

- Master of accountancy in information assurance, University of New Mexico, Albuquerque, New Mexico
- American Institute of Certified Public Accountants
- New Mexico Society of Certified Public Accountants
- Association of Government Accountants, Albuquerque Chapter Board, *member*
- Certified Public Accountant in the state of New Mexico
- Certified Fraud Examiner (applies in all states)

### Key relevant clients

- New Mexico Energy, Minerals, and Natural Resources Department
- New Mexico Taxation and Revenue Department
- State of New Mexico General Fund
- New Mexico Public Education Department
- New Mexico Annual Comprehensive Financial Report
- New Mexico Department of Transportation
- New Mexico Gaming Control Board
- New Mexico Workers' Compensation Administration
- City of Albuquerque, New Mexico
- Santa Fe County
- Public Employees Retirement Association of New Mexico



## Continuing professional education

Emily meets or exceeds her continuing education requirements. She consistently exceeds 80 hours of continuing professional education every two years and 120 hours every three years. Because she works on governmental entities, she exceeds her requirements for continuing education required under *Government Auditing Standards*. Most of her continuing education is directly related to the clients she serves, including federal grant compliance, Governmental Accounting Standards Board updates, financial reporting for government entities and other related educational opportunities.

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# Laura Beltran-Schmitz, CPA, CFE, CGFM, CICA

**CLA (CliftonLarsonAllen LLP)**

Principal  
Albuquerque, New Mexico

505-222-3526  
laura.beltran-schmitz@CLAconnect.com



## Profile

Laura is a principal in the Albuquerque, New Mexico office and leads state and local government assurances services for our Greater Southwest region. She specializes in providing governmental auditing, accounting, and consulting services and has more than 20 years of experience.

## Technical experience

- State and local government
- Federal compliance consulting
- Internal audit

## Education and professional involvement

- Bachelor of accountancy, with honors, minor in forensic science, New Mexico State University, Las Cruces, New Mexico
- American Institute of Certified Public Accountants
- New Mexico Society of Certified Public Accountants, Board of Directors, *chair (former)*
- Association of Certified Fraud Examiners
- Association of Governmental Accountants, Albuquerque Chapter
- Alumni member of Beta Alpha Psi, Honors Accounting Organization
- Institute for Internal Controls
- Certified Public Accountant in the state of New Mexico
- Certified Fraud Examiner (applies in all states)
- Certified Government Financial Manager (applies in all states)
- Certified Internal Controls Auditor (applies in all states)



## Key relevant clients

- City of Albuquerque, New Mexico
- State of New Mexico Early Childhood Education and Care Department
- State of New Mexico Department of Game and Fish
- State of New Mexico Department of Veterans' Services
- State of New Mexico Public Education Department
- State of New Mexico Department of Justice
- State of New Mexico Department of Cultural Affairs
- State of New Mexico Department of Health
- State of New Mexico Children, Youth and Families Department
- State of New Mexico Comprehensive Annual Financial Report
- New Mexico Second Judicial District Attorney

## Honors and awards

- 2025 Forbes Top 200 CPAs in the County
- 2025 recipient of the NMSCPA's Special Recognition Award
- 2010 recipient of the AICPA's Women to Watch, Emerging Leader Award
- 2015 recipient of the NMSCPA's Outstanding Member in Public Practice Award

## Continuing professional education

Laura meets or exceeds her continuing education requirements. She consistently exceeds 80 hours of continuing professional education every two years and 120 hours every three years. Because she works on governmental entities, she exceeds her requirements for continuing education required under *Government Auditing Standards*. Most of her continuing education is directly related to the clients she serves, including federal grant compliance, Governmental Accounting Standards Board updates, financial reporting for government entities and other related educational opportunities.

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# Joe Kowalski, CPA

## CLA (CliftonLarsonAllen LLP)

Principal  
Oak Brook, Illinois

331-270-2413  
joe.kowalski@CLAconnect.com



### Profile

Joe is a quality reviewer with the National Assurance Technical Group, focusing on reviews of assurance engagements for state and local government clients across the firm. He also serves as a technical resource for engagement teams performing state and local government engagements. During his more than 33 years of experience, he has specialized in financial audits and single audits for state and local governments, including state agencies, retirement systems, transit systems, counties, cities, and other government agencies.

### Technical experience

- Governmental accounting and auditing of state agencies and local units
- Single audit and compliance auditing of state agencies and local units
- Several years of experience with a variety of State of Illinois and State of Michigan agency audits

### Education and professional involvement

- Bachelor of science in accounting from the University of Detroit, Detroit, Michigan
- Certified Public Accountant, Illinois and Michigan

### Continuing professional education

Joe meets or exceeds his continuing education requirements. He consistently exceeds 80 hours of continuing professional education every two years and 120 hours every three years. Because he works on governmental entities, he exceeds requirements for continuing education required under *Government Auditing Standards*. Most of his continuing education is directly related to the clients he serves, including federal grant compliance, Governmental Accounting Standards Board updates, financial reporting for government entities and other related educational opportunities.

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# Kelly Anderson, CPA

**CLA (CliftonLarsonAllen LLP)**



Manager  
Albuquerque, New Mexico

505-222-3517  
kelly.anderson@CLAconnect.com

## Profile

Kelly is a manager in the Albuquerque, New Mexico office. She specializes in providing governmental auditing, accounting, and consulting services. She has four years of experience auditing state agencies and other governmental sector clients.

## Technical experience

- State and local government audits
- Federal grant financial and compliance audit
- Internal audits

## Education and professional involvement

- Master of accountancy, New Mexico State University, Las Cruces, New Mexico
- Association of Government Accountants, Albuquerque Chapter Board Member
- American Institute of Certified Public Accountants
- New Mexico Society of Certified Public Accountants
- Certified Public Accountant in the state of New Mexico

## Key relevant clients

- New Mexico Taxation and Revenue Department
- State of New Mexico General Fund
- New Mexico Public Education Department
- New Mexico Gaming Control Board
- New Mexico Workers' Compensation Administration
- City of Albuquerque, New Mexico
- Santa Fe County



## Continuing professional education

Kelly meets or exceeds her continuing education requirements. She consistently exceeds 80 hours of continuing professional education every two years and 120 hours every three years. Because she works on governmental entities, Kelly exceeds her requirements for continuing education required under Government Auditing Standards. Most of her continuing education is directly related to the clients she serves, including federal grant compliance, Governmental Accounting Standards Board updates, financial reporting for government entities and other related educational opportunities.

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# Jim Kreiser, CISA, CRMA, CFSA

CLA (CliftonLarsonAllen LLP)

Principal  
King of Prussia, Pennsylvania

717-857-2613  
james.kreiser@CLAconnect.com



## Profile

Jim is a principal in the CLA value and risk services group. He has 27 years of professional services experience in providing consulting and advisory services. Jim spent ten years of his experience working at a Big 4 firm in their business risk and technical risk services groups. His experience also includes internal audit roles at CitiBank, AMP, and Capital BlueCross. Jim has also held roles as chief risk officer, general auditor, and others. His focus has primarily been in the governmental sector and health care industries. At CLA, Jim focuses on clients particularly with process and risk consulting, IT services, performance audit, internal audit, risk assessment, SOC reporting, and third-party reporting services.

## Technical experience

Jim's experience includes managing and leading projects, which include engagements related to outsourced and co-sourced internal auditing, IT audit, third-party reviews and performance audits, enterprise risk management processes, IT security and auditing services, SSAE 21 reporting (SOC 1 and SOC2), operational improvements, process solutions and implementation for those solutions across the organization. His primary focus for the firm is as the current national IT services leader for state and local governments. His service experience includes business risk, IT, and internal audits. Specific experience includes the following:

- Internal audit outsourcing and co-sourcing, including information technology, financial, performance audits, and operational audits
- IT security and risk consulting
- Enterprise-wide risk assessments
- IIA quality assurance reviews (QAR)
- Vendor management and implementation assessment
- Compliance related activities and benchmarking
- Presentations and training; including speaking at various conferences/professional organizations on IT controls, security, ERM, and third-party reporting, and risk management

## Education and professional involvement

- Bachelor of science in managerial economics and philosophy, Carnegie Mellon University, Pittsburgh, Pennsylvania
- Certified Information Systems Auditor (CISA)
- Certified in Risk Management Assurance (CRMA)
- Certified Financial Services Auditor (CFSA)



## Key relevant clients

- Commonwealth of Pennsylvania
- Commonwealth of Massachusetts
- State of Illinois
- California Housing Finance Agency
- State of Texas
- Suffolk County New York
- North Carolina Educational Lottery
- Housing Authority of Maricopa County
- City of Milwaukee
- State of Rhode Island
- State of Mississippi and Mississippi Development Authority
- Philadelphia Water Department
- New Jersey Division of Lottery
- Maine Public Employees Retirement System
- Pennsylvania State System of Higher Education
- Arizona State Retirement System
- New York City Deferred Compensation Plan
- North Carolina Office of State Auditor

## Continuing professional education

Jim meets or exceeds his continuing education requirements. He consistently exceeds 80 hours of continuing professional education every two years and 120 hours every three years. Because he works on governmental entities, he exceeds requirements for continuing education required under *Government Auditing Standards*. Most of his continuing education is directly related to the clients he serves, including federal grant compliance, Governmental Accounting Standards Board updates, financial reporting for government entities and other related educational opportunities.

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# Linyuan (Lin) Feng, CISA

CLA (CliftonLarsonAllen LLP)

Director  
Phoenix, Arizona

505-222-3541  
lin.feng@CLAconnect.com



## Profile

Lin is a director in the business risk services/SOC group. She brings over six years of experience, specializing in SSAE 21 Service Organization Control (SOC) reporting, IT general controls audits, risk assessments, and IT internal audits. Lin is currently serving CLA's SOC quality assurance team, contributing to the firm's commitment to high-quality and consistent SOC reporting practices.

## Technical experience

- SSAE 21 Service Organization Control (SOC) reporting: Proficient in SOC 1, SOC 2, and SOC 2 with C5 (Cloud Computing Compliance) engagements across a variety of industries, including manufacturing, technology, state and local government, higher education, and nonprofit organizations.
- IT general controls audits: Specialized in evaluating ITGCs within state and local government, higher education, and nonprofit sectors. Key clients include the State of Texas, State of New Mexico, and State of Arizona.
- IT internal audit programs: Experienced in the planning, execution, and reporting of IT internal audits across diverse environments, including manufacturing, technology, and public sector organizations.
- Risk assessments: Conducted comprehensive IT and operational risk assessments to identify control gaps and recommend mitigation strategies across multiple industries.

## Education and professional involvement

- Master of science in information systems and assurance, University of New Mexico, Albuquerque, New Mexico
- Bachelor of business administration, University of New Mexico, Albuquerque, New Mexico
- ISACA Phoenix Chapter, *member*
- American Institute of Certified Public Accountants (AICPA), *member*

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## B. Quality management procedures and peer review



CLA maintains a robust system of quality management designed to consistently meet professional standards and regulatory requirements. Our approach aligns with the AICPA's current quality management standards, emphasizing a risk-based framework, continuous monitoring, and a culture of quality across the firm.

Key components of our system include:

- Defined quality objectives and risk-based responses tailored to our assurance practice
- Annual internal inspections and engagement-level second reviews
- Ongoing training and development to enhance staff competence and independence
- Required reviews for all single audits to maintain compliance with *Uniform Guidance*
- Strict adherence to AICPA ethical standards, including confidentiality and objectivity

We're proud to have received a "pass" rating — the most positive possible — in our most recent peer review, **which included government engagements**. A copy of the report follows this response.





## Report on the Firm's System of Quality Control

To the Principals of CliftonLarsonAllen LLP  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP (the "Firm") applicable to engagements not subject to Public Company Accounting Oversight Board ("PCAOB") permanent inspection in effect for the year ended May 31, 2025. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1<sup>®</sup> and SOC 2<sup>®</sup> engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2025, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. CliftonLarsonAllen LLP has received a peer review rating of *pass*.

*Cherry Bekaert LLP*

Atlanta, Georgia  
November 6, 2025

### C. Firm profile submitted to the State Auditor

**NOTE: An updated firm profile for 2026 was submitted for review on January 8, 2026. We don't yet have our approval letter, but we are on the OSA listing of approved IPAs as of December 2025 (the most recent version).**



# Step One

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## Introductory Questions

Firm Profile For Year  
2026

Has the Firm previously been approved by the OSA to conduct government audits?  
Yes

Has the Firm previously been disqualified by the OSA from conducting New Mexico government audits?  
No

Has the Firm previously been restricted by the OSA with respect to conducting New Mexico government audits?  
Yes

# Step Two

---

## Firm Information

Firm Name:

Main Address:

Main Phone:

Fax:

Email for Firm Profile:

Website:

Is the firm currently licensed as a public accounting firm?  
Yes



Date of expiration for current firm permit:

06/30/2026

Permit File:

Does the firm carry a policy of professional liability insurance that meets the requirements of the Audit Rule?

Yes

Date of expiration for current firm professional liability insurance:

12/15/2026

Certificate of Insurance File:

Does the firm have more than one person qualified to manage an audit and sign the report pursuant to GAGAS 3.76 (2011 YB) and Section 61-28B-17B NMSA 1978?:

No

Contingency Subcontractor Form:

Organizational chart

## Step Three

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### Peer Review & Sanction Information

Section 3.82 of the December 2011 Revision of Government Auditing Standards (GAGAS) requires that audit organizations performing audits in accordance with GAGAS must have an external peer review performed by reviewers independent of the organization being reviewed at least once every 3 years. Qualifications of the reviewers and requirements of the review are listed in Sections 3.82 to 3.107. In order to be included on the state auditor's list of approved firms, IPAs are required to comply with the requirements of GAGAS Sections 3.82 to 3.107 relating to quality control and assurance and external peer review.

According to the AICPA Standards for Performing and Reporting on Peer Reviews, effective for peer reviews commencing on or after January 1, 2009, the peer review deadline is: (1) eighteen months from the date the firm enrolled in the Program or should have enrolled, whichever is earlier, if the firm performs engagements requiring a peer review; or (2) if the firm had not previously performed engagements requiring a peer review, eighteen months from the year-end of the firm's first engagement requiring a peer review; or (3) three years and six months from the previous peer review year end.

Applicant Firm's most recent peer review rating:

Pass

Date of Applicant Firm's most recent peer review (Be sure to select the correct year):

12/11/2025

Copy of peer review letter:

Copy of any acceptance of or responses to peer review letter, responses to that response, or updates to peer review:

Has the Firm or any Firm professional proposed to work on New Mexico government audits received deficiency comments from a federal reviewer regarding the quality of Single Audit testwork?

No

Explanation:

Has the Firm or any Firm professional proposed to work on New Mexico government audits been sanctioned for substandard work by an Inspector General (IG) or the AICPA?

No

Explanation:

Has the Firm or any Firm professional been sanctioned or issued a warning by the public accountancy board or equivalent organization of any state?

No

Explanation:

# Step Four

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## Professional Service Contracts

List ALL professional service contracts (PSCs) that your firm entered into pursuant to Section 2.2.2.8(P)(1) and (2) NMAC, from the date of your last profile submission to this one. You do not need to list contracts for annual audit or annual agreed upon procedures engagements.

\*\* All PSCs related to fraud, waste or abuse require prior written approval from the State Auditor per Section 2.2.2.15(C) (2) NMAC. If a PSC is not related to fraud, waste or abuse, then the agency and audit firm must obtain prior written approval of the proposed PSC only if the audit firm is the external auditor for the agency's annual audit or agreed-upon procedures engagement.

Do you have any professional service contracts?

Name of Agency	PSC Approved by OSA	Contract Dates	Contract Amount
----------------	---------------------	----------------	-----------------

# Step Five

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## Staff Information

**CPE Requirements** – Section 3.76 of the December 2011 Revision of Government Auditing Standards (GAGAS) states that "Auditors performing work in accordance with GAGAS, including planning, directing, performing audit procedures, or reporting on an audit conducted in accordance with GAGAS, should maintain their professional competence through continuing professional education (CPE). Therefore, each auditor performing work in accordance with GAGAS should complete, every 2 years, at least 24 hours of CPE that directly relates to government auditing, the government environment, or the specific or unique environment in which the audited entity operates. Auditors who are involved in any amount of planning, directing, or reporting on GAGAS audits and those auditors who are not involved in those activities but charge 20 percent or more of their time annually to GAGAS audits should also obtain at least an additional 56 hours of CPE (for a total of 80 hours of CPE in every 2-year period) that enhances the auditor's professional proficiency to perform audits. Auditors required to take the total 80 hours of CPE should complete at least 20 hours of CPE in each year of the 2-year periods".

In April 2005 the GAO issued a document entitled [Government Auditing Standards: Guidance on GAGAS Requirements for Continuing Professional Education](#), GAO-05-568G. It provides guidance to auditors and audit organizations regarding the implementation of the GAGAS CPE requirements. The guide is available on the web if you search for GAO-05-568G. The managers and other audit staff included in this firm profile that work on New Mexico governmental audit and agreed upon procedures engagements must meet the applicable CPE requirements described above and in 2.2.2.14 NMAC. Pursuant to 2.2.2.8,D NMAC, continuing professional education must be included in the firm profile for all staff that the firm will use on any New Mexico governmental audit engagements.

First Name:

Last Name:



Salutation:

Title:

Audit manager or Audit staff member?

The Firm hereby certifies that this professional will only be performing only field work and not performing any audit planning, directing or reporting duties:

Address:

Email Address:

Confirm Email Address:

Opt in to receive emails & notices from the OSA:

Is this professional a licensed CPA?

upload of copy of CPA license:

Date of License Expiration:

## Date of Hire

Month:

Year:

Employment Status:

Is this person's work covered by the Firm's policy of professional liability insurance?

Explanation:



State the total number of CPE hours within 2 years in subjects directly related to governmental auditing or the specific or unique environment in which the agency operates (24 hour Requirement):

State the total number CPE hours within 2 years that directly enhance the auditor's professional proficiency to perform audits (additional 56 hour Requirement):

Does this professional also have experience working on performance audits in accordance with GAGAS standards?

## Staff Profiles

First Name	Last Name
Amber	Linton
Andres	Gamez
Andrew	Weber
Angelica	Montague
Anthony	Martinez
Benjamin	Ballance
Bennett	Zellner
Brannon	Credle
Brittany	Smith
Christopher	Gregory
Claire	Clarissa
Clarke	Cagle
Cristal	Mendoza
Dafine	Yeverino
Emily	Wilson

First Name	Last Name
Gaby	Miller
Grant	Repine
Harrison	Buckey
James	Mann
Jamie	Jaffa-Martinez
Jane	Tinker
Jean	Dietrich
Julian	Contreras
Karin	Demirjian
Kelly	Anderson
Kole	Kleinschmidt
Laura	Beltran-Schmitz
Lin	Feng
Lupita	Martinez
Maegan	Morris
Man Yan Geneva	Choi
Mandy	Merchant
Matt	Bone
Maximilian	Coster
Michael	Nyman
Raul	Anaya
Roger	Lilly
Ryzza	Mandujano
Sarah	Ball
Sarah	Willis
Sean	Richter

First Name	Last Name
Sebastian	Perez
Sheila	Quintana-Filosa
Taniela	Cox
Taylor	Evanko
Taylor	Luna
Victor	Kraft
Will	Mark

## Final Review

---

### Firm Profile Attestation & Certification

Name of person making certifications and attestations on behalf of the Firm (must be duly authorized by Firm):

Title of person making certifications and attestations on behalf of the firm (must be duly authorized by Firm):

On behalf of the Firm, name of person who will make attestations, fill in title of person who will make attestations hereby certifies and attests that:

1. He or she has the authority to attest to and certify the information submitted in this firm profile on behalf of the firm, and to agree to indemnification obligations on behalf of the Firm.
2. All the information submitted in this firm profile is true, accurate and complete to the best of his or her knowledge.
3. The submitted information, if misrepresented or incomplete, may be grounds for immediate removal from the list of firms approved by the Office of the State Auditor.

To the extent allowed by law, the Firm will indemnify, defend and hold harmless the Office of the State Auditor for any damages arising from or related to misrepresented or incomplete information submitted in this firm profile.

All of the information in the application is correct:

Date:

Comments:



Regarding Step 4, approval is no longer needed on PSCs. The section of State Audit rule reference on that step no longer exists. As such, we have marked "no", CPE Comments: Claire Clarissa - Tracking started 8/4/25 so CPE requirement is prorated to 0 credits required since there was less than 6 months left in the 2 year period. No CPE report has been provided, Julian Contreras - Tracking started 6/30/25 so CPE requirement is prorated to one-quarter of the full 2 year requirement. Maximilian Coster - Tracking started 8/4/25 so CPE requirement is prorated to 0 credits required since there was less than 6 months left in the 2 year period. No CPE report has been provided, Karin Demirjian - Tracking started 1/13/2025 so CPE requirement is prorated to one-quarter of the full 2 year requirement, Lin Feng - 12/31/2025 extended to 1/15/2026, Compliant as of 1/6/2026, Jamie Jaffa-Martinez - Tracking started 6/2/2025 so CPE requirement is prorated to one-quarter of the full 2 year requirement. Kole Kleinschmidt - Minnesota offices are on a 6/30 year end at CLA Amber Linton - Tracking started 6/2/2025 so CPE requirement is prorated to one-quarter of the full 2 year requirement, Anthony Martinez - Tracking started 8/1/24, so requirement was prorated to one-half of the 2 year requirement, Lupita Martinez - Not yet in compliance for Professional Proficiency. Yellow Book standards allow for a 60 day grace period. Has been extended to 1/15/26. Cristal Mendoza - Tracking started 6/2/2025 so CPE requirement is prorated to one-quarter of the full 2 year requirement, Angelica Montague - No CPE records because employment started 1/5/2026, Bennett Zellner - No CPE records because employment started 1/5/2026.

D. State of New Mexico Resident Business Certificate



# STATE OF NEW MEXICO

TAXATION AND REVENUE DEPARTMENT

## RESIDENT BUSINESS CERTIFICATE

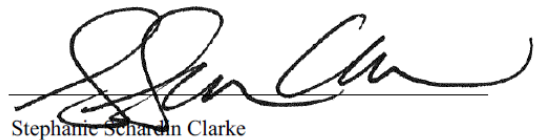
Issued to: CLIFTONLARSONALLEN LLP

DBA: CLIFTONLARSONALLEN LLP  
6501 AMERICAS PKWY NE STE 500  
ALBUQUERQUE, NM 87110-5311

Expires: **22-Mar-2027**

Certificate Number:

**L1296133744**



Stephanie Schardin Clarke  
*Cabinet Secretary*

THIS CERTIFICATE IS NOT TRANSFERABLE

## E. Pay Equity Reporting Form



# Pay Equity Reporting Form



City of Albuquerque  
www.cabq.gov



Bernalillo County  
www.berncogov



Water Authority  
www.abcwua.org

## Company Details

Company Name	CliftonLarsonAllen LLP	Mailing Address	6501 Americas Pkwy NE Ste 500, Albuquerque, NM 87110
Phone	+1 (505) 222-3526		
Email Address	Laura.Beltran-Schmitz@cliaconnect.com	NM Employees?	yes

Job Category	No. Females	No. Males	Gap (Abs. %)
1.1 Exec/Senior Level Officials/Mgrs	7	9	41.69%
1.2 First/Mid Level Officials/Mgrs	24	10	47.19%
2 Professionals	24	16	8.31%
3 Technicians	0	0	N/A
4 Sales Workers	0	0	N/A
5 Office and Admin. Support	10	5	15.42%
6 Craft Workers (Skilled)	0	0	N/A
7 Operatives (Semi-Skilled)	0	0	N/A
8 Laborers (Unskilled)	0	0	N/A
9 Service Workers	0	0	N/A
Overall Total	65	40	27.00%

Total # of Females (all categories)	65	Total # of Males (all categories)	40
Total # Female Only Job Categories	0	Total # Male Only Job Categories	0
Total # Part Time Females	0	Total # Part Time Males	0
Female % Workforce	61.90%	Male % of Workforce	38.10%
Total # Employees	105	Total # Non-Binary Employees	0

**Must be signed by a representative of the company.** Signature certifies that all employees working in New Mexico are included, the data is for one year ending when the form is signed, and any challenges to your information may require you to get third party verification at your own expense.

**Laura Beltran-Schmitz**

**Mar 10, 2026**

Name and Title

Signature

Date Submitted

**Following your submission, the system will calculate and certify your Overall Total Pay Gap. A copy of the Pay Equity Reporting Form will be emailed to you for inclusion with your bid or proposal. If the Overall Total Pay Gap on your form is 0%, you are eligible for a 5% preference. Please keep in mind that a completed Pay Equity Reporting Form must be submitted with all bids and proposals, regardless of the Overall Total Pay Gap. Please contact the contact person identified in the applicable Agency's solicitation documents with any questions about the Pay Equity Reporting Form.**



March 12, 2026

Proposal to provide professional  
audit services to:

## City of Albuquerque

### 2.2 Cost Proposal

Prepared by:

**Emily Wilson, CPA, CFE, CIA, Principal**

[emily.wilson@CLAconnect.com](mailto:emily.wilson@CLAconnect.com)

Direct 505-222-3585

**[CLAconnect.com](https://www.CLAconnect.com)**

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CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://www.CLAGlobal.com/disclaimer).

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



# 2.2 Cost Proposal Format, Section Two

## 2.2.1 Total cost

The Cost Proposal has been submitted to the City in a separate electronic file. The Cost Proposal covers sections 2.2.2 through 2.2.7 of the RFP.

## 2.2.2 Offeror statement of compliance

All costs to be incurred and billed to the City have been described by CLA for each item, to allow for a clear evaluation and comparison, relative to other offers received. CLA understands that the City will not pay any amount not included, or identified separately, such as insurance or taxes of any kind; that liability for such items, remains with CLA; and that the proposed price quoted includes any such costs (including all applicable taxes).

Cost for the entire project broken down by steps

See *Section 2.2.4 Special engagements/audits, Appendix A.*

Estimated periodic billing to the City based on the cost of the deliverable items

Our invoices for these fees will be rendered in a manner consistent with our Statement of Work and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full.

Cost details shown by task

See subsequent section *2.2.3 Detailed costs.*

## 2.2.3 Detailed costs

Segment	Hours and Cost				
	Approximate Hours/Year	FY2026	FY2027	FY2028	Total Cost
Report					
Financial Statement Audit	2,465	\$411,958	\$420,197	\$428,601	\$1,260,755
Single Audit	470	\$79,866	\$81,463	\$83,093	\$244,422
Special Audits/Engagements	440	\$65,586	\$66,898	\$68,236	\$200,719
Gross receipts tax		\$42,502	\$43,353	\$44,220	\$130,075
<b>Total Cost</b>	<b>3,375 (hours)</b>	<b>\$599,912</b>	<b>\$611,910</b>	<b>\$624,149</b>	<b>\$1,835,971</b>



## Policy on cost overruns

We consider the services we provide to the City as a fixed-fee engagement. As such, we consider overruns to be our responsibility. For example, if we incur additional time to gain a better understanding of a particular program or to satisfy ourselves on a particular issue, our philosophy is that there should be no additional costs to the client.

Our planning process reduces the risk of overruns during the audit. However, some overruns may cause the need for additional billing, such as if:

- Not all information has been provided
- The staff was unable to provide us with the necessary information to conduct the audit
- The City causes delays in the process
- New pronouncements or audit requirements were not in effect at the time of the proposed fee

Any overruns would be discussed with you as soon as discovered and an agreement reached before any additional billings would occur.

## Ongoing consultation

We do not anticipate the City will receive additional billings related to the annual audit procedures, as we anticipate cooperation from staff and receipt of information for timely completion of your audit. It is also our policy not to bill you for routine telephone calls. Our quoted fee includes routine general consultation throughout the year, however, if you seek a written opinion, or if the issue requires us to perform research, we will bill you at our standard rates for these services. We will discuss these fees with you before we conduct our work.

We strive to respond to calls/emails from the City in hours, not days, to provide effective and timely communication.

## Assumptions

Our fee quote is designed with an understanding that:

- City personnel will provide documents and information requested in a timely fashion.
- The operations of your organization do not change significantly and do not include any future acquisitions or significant changes in your business operations.
- There are no significant changes to the scope, including no significant changes in auditing, accounting, or reporting requirements.

## No surprises

Our clients don't like fee surprises. Neither do we. If changes or complexities occur — or any "out-of-scope" work is required — we'll discuss a revised fee proposal with you first.

It's not our policy or practice to bill our clients every time we receive a phone call or email. We're invested in our relationships and strongly encourage intentional and frequent communication. Contact us year-round as changes or questions arise.

***Transparent: Clear, authentic communication and market-based fees.***



## 2.2.4 Special engagements/audits

### Appendix A

	Approximate Hours/Year	FY2026	FY2027	FY2028	Total Cost
<b>Separate Independent Auditors' Report</b>					
Airport Fund	65	\$9,690	\$9,885	\$10,080	\$29,655
OPEB Trust Fund	65	9,690	9,885	10,080	29,655
<b>Agreed Upon Procedures</b>					
Transportation Section 15	105	15,650	15,963	16,286	47,899
Aviation Passenger Facility Charge	70	10,433	10,640	10,855	31,928
Landfills/Convenience Centers	70	10,433	10,640	10,855	31,928
Impact Fees	65	9,690	9,885	10,080	29,655
Gross Receipts Tax	-	5,001	5,101	5,203	15,305
<b>Total Cost</b>		<b>\$70,587</b>	<b>\$71,999</b>	<b>\$73,439</b>	<b>\$216,025</b>

## 2.2.5 Independent Accountants' Certificate for additional bond test procedures

CLA confirms and acknowledges that the proposed cost for an Independent Accountants' Certificate as a result of additional bond test procedures performed will be requested on an "as needed-basis", and that it is anticipated the cost will vary depending on the specific bond issue. The cost proposal is therefore based on the Proposed Rates for Additional Services included in **Section 2.2.7 All costs.**



## 2.2.6 Rates for additional professional/audit services

CLA confirms and acknowledges that, on occasion, the City may request CLA to render additional services outside the scope of this audit. It is understood that all such work will be set forth in an addendum to the contract between the City and CLA, and that any such additional work shall be performed at the same rates as proposed under this RFP and included in **Section 2.2.7 All costs**.

The table below shows our standard hourly billing rates by classification:

Staff Level	Standard Hourly Rate	Quoted Hourly Rate
Principal/Technical Resource Principal	\$350+	\$300 - \$400
Director	\$235 - \$375	\$225 - \$300
Manager	\$200 - \$300	\$200 - \$275
Senior	\$170 - \$230	\$170 - \$200
Associate	\$150 - \$200	\$150 - \$180

## 2.2.7 All costs

All costs to be incurred and billed to the City have been described by CLA for each item, to allow for a clear evaluation and comparison, relative to other offers received. CLA understands that the City will not pay for any amounts not included -- for example, insurance or taxes -- and that liability for items not included remains with CLA.



## STATE OF NEW MEXICO AUDIT CONTRACT

City of Albuquerque

hereinafter referred to as the "Agency," and

CliftonLarsonAllen, LLP

hereinafter referred to as the "Contractor," agree:

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

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

A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year **2026** in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act, Sections 12-6-1 through 12-6-15, NMSA 1978, and the Audit Rule ( Section 2.2.2.1 NMAC *et seq.*).

2. **DELIVERY AND REPRODUCTION**

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the documents required by Section 2.2.2.9 NMAC to the State Auditor on or before the deadline set forth for the Agency in Section 2.2.2.9 NMAC.
- B. Reports uploaded into OSA Connect by 5:00 pm of the Agency's due date will be considered received by the due date for purposes of Section 2.2.2.9 NMAC. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with Section 2.2.2.13 NMAC. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to delivery of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor in accordance with Section 2.2.2.9 NMAC.
- D. Pursuant to Section 2.2.2.10 NMAC, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- E. After its review of the audit report pursuant to Section 2.2.2.13 NMAC, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, and any other required electronic schedule (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver **0** copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

3. **COMPENSATION**

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed **\$599,912.00** including applicable gross receipts tax.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
----------	---------

(1) Financial statement audit	<u>\$411,958.00</u>
(2) Federal single audit	<u>\$79,866.00</u>
(3) Financial statement preparation	<u>\$0.00</u>
(4) Other nonaudit services, such as depreciation schedule updates	<u>\$65,586.00</u>
(5) Other (i.e., component units, specifically identified)	<u>\$0.00</u>

Gross Receipts Tax = \$42,502.00

Total Compensation = \$599,912.00 including applicable gross receipts tax

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

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

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

#### 5. **TERMINATION, BREACH AND REMEDIES**

A. This Contract may be terminated:

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

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

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

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

#### 6. **STATUS OF CONTRACTOR**

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

7. **ASSIGNMENT**

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

8. **SUBCONTRACTING**

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

9. **RECORDS**

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

10. **RELEASE**

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

11. **CONFIDENTIALITY**

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

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

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

13. **CONFLICT OF INTEREST**

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

14. **INDEPENDENCE**

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

15. **AMENDMENT**

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

16. **MERGER**

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to Section 2.2.2.10 NMAC, consistent with

Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

17. **APPLICABLE LAW**

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

18. **AGENCY BOOKS AND RECORDS**

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

19. **APPROPRIATIONS**

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

20. **PENALTIES FOR VIOLATION OF LAW**

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

21. **EQUAL OPPORTUNITY COMPLIANCE**

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

22. **WORKING PAPERS**

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.
- B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. **DESIGNATED ON-SITE STAFF**

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

24. **INVALID TERM OR CONDITION**

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

25. **OTHER PROVISIONS**

**SIGNATURE PAGE**

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

**AGENCY**

**CONTRACTOR**

**City of Albuquerque**

**CliftonLarsonAllen, LLP**

PRINTED  
NAME: Jason Shaw

PRINTED  
NAME: Laura Beltran-  
Schmitz

TITLE: City  
Controller

TITLE: Principal

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