

CABRILLO COMMUNITY COLLEGE DISTRICT

REQUEST FOR PROPOSAL 12-04
INDEPENDENT AUDIT SERVICES FOR CABRILLO COLLEGE

Opening Time & Date
3:00 P.M. January 5, 2012

Opening Location
District Purchasing Department
CABRILLO Community College District
6500 Soquel Drive, Bldg. 2030
Aptos, CA 95003

Contact

Serena Muindi, Interim Director of Purchasing, Contracts & Risk Mgmt..... (831) 477-3521

e-mail address: semuindi@cabrillo.edu

CABRILLO COMMUNITY COLLEGE DISTRICT

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This Request for Bid Proposal packet includes the following documents:

- Notice to Bidders
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- Request for Proposal
- Cost of Proposal Form
- Bidder References Form
- Bidder Business Structure Form
- Statement of Non-Collusion Form
- Insurance/Indemnity Requirements

In order to preserve uniformity and to facilitate the award of the bid proposal, no bid proposals will be considered unless made upon forms furnished by the CABRILLO Community College District. Removal of any part may invalidate the bid.

CABRILLO COMMUNITY COLLEGE DISTRICT

NOTICE TO BIDDERS

The CABRILLO Community College District, 6500 Soquel Drive, Bldg. 2030, San Jose, California 95135 hereby invites sealed proposals for the following:

**REQUEST FOR BID PROPOSAL 12-04
INDEPENDENT AUDIT SERVICES FOR CABRILLO COLLEGE**

Bids shall be made on forms and be in accordance with bid conditions and specifications prepared by the District. To obtain a Request for Proposal (RFP) package visit our website at: <http://www.cabrillo.edu/internal/purchasing/index.html> or email the District Purchasing at careno@cabrillo.edu during the business hours of 8:00 a.m. to 4:00 p.m., Monday through Friday.

Bids will be accepted on or before **3:00 PM Thursday, January 5, 2012**. Bids must be submitted in a sealed envelope and marked "**Independent Audit Services for Cabrillo College, Bid No. 12-04**" and must be mailed or hand delivered to:

**Purchasing Department Office
Building 2030
Cabrillo College Community College District
6500 Soquel Drive
Aptos, CA 95003**

Questions or comments must be received in writing and must be emailed directly to Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management at semuindi@cabrillo.edu on or before **3:00 p.m. on December 2, 2011**. The District's response to questions, addendum or clarification will be posted on our website by December 6, 2011.

The District reserves the right to reject any or all proposals or to waive any irregularities or informalities in any proposals and to be the sole judge of merit and suitability of services proposed.

For further information contact Serena Muindi, at 831-477-3521. Or visit our website at <http://www.cabrillo.edu/internal/purchasing/index.html>

For the Board of Trustees
Cabrillo Community College District

CABRILLO COMMUNITY COLLEGE DISTRICT

BID PROPOSAL CONDITIONS

BID PROPOSAL MATERIALS AND INFORMATION: Bid Proposal documents are available on our website at <http://www.cabrillo.edu/internal/purchasing/index.html>.

All questions must be emailed to Serena Muindi at semuindi@cabrillo.edu by 3:00 P.M. December 02, 2011. Responses to written questions will be emailed to all bidders by December 06, 2011.

District Purchasing Department
Attn: Serena Muindi
6500 Soquel Drive, Bldg. 2030
Aptos, CA 95003
(831) 477-3521
semuindi@cabrillo.edu

CABRILLO Community College District also referred to as CCCD.

EXAMINATION OF BID PROPOSAL DOCUMENTS AND ACTUAL CONDITIONS: Before submitting a bid proposal, the bidder shall thoroughly familiarize himself/herself with all bid documents referred to in the bid proposal, and any addenda issued before the bid opening. Such addenda shall form part of the bid response. It shall be the bidder's responsibility to ascertain that his/her bid proposal includes all addenda issued prior to the bid opening.

The bidder must satisfy himself/herself by personal examination and by such other means as the bidder may prefer as to the actual conditions and requirements under which the bid shall be made. Such examination must be upon the notification and approval of the District Purchasing Department.

If, after inspection and examination by the bidder, there are any existing conditions or requirements of the bid which are not completely understood by the bidder, he/she shall contact the District Purchasing Department for further information as may be available.

BID PROPOSAL FORMS: All items on all forms should be filled out completely. Numbers should be stated in figures and signatures of all individuals must be in long hand.

All prices and notations must be typed or written in ink. Bids must not be written in pencil. Mistakes may be crossed out and correction inserted in adjacent, but the correction must be initialed in ink by the person signing the proposal. No corrections can be made after the time for opening bids.

Statements or communications which serve to qualify the bid may void such bid as to the items qualified.

ADDENDUMS: Any addendums issued during the time of bidding shall form a part of the bid proposal document issued to bidders for the preparation of their proposals and shall constitute a part of the contract documents.

BID PROPOSAL SUBMISSION: Whether bid proposals are sent by mail or delivered in person, the bidder shall be responsible for the delivery of the bid proposal to the District Purchasing Department, CABRILLO Community College District, 6500 Soquel Drive, Bldg. 2030, Aptos, CA 95003 on or before January 5, 2012 by 3:00 p.m. If the mail or personal delivery is delayed beyond the date and hour set for the bid opening, such delayed bids shall not be considered and shall be returned unopened.

Bid name and number must be referenced on the outside cover of the sealed Bid Proposal.

Bidders must submit one (1) original and eight (8) copies of their respective response to this RFP.

All Addendums must be attached to the front of the Bid Proposal.

ACCEPTANCE, CHANGES, REJECTION OR WITHDRAWAL OF BIDS: The Bid Proposal submitted by the Bidder shall remain open and valid and shall be subject to acceptance by CCCD for ninety (90) days after the bid opening date.

The CABRILLO Community College District reserves the right to reject any and all bid proposals, to waive any informality and/or irregularity in any bid received, and to be the sole judge of the acceptability of the bid proposal.

BASIS OF AWARD: See Criteria in Request for Proposal.

EVIDENCE OF RESPONSIBILITY: Upon the request of CCCD, a bidder shall submit to CCCD within five (5) days after request satisfactory evidence showing the bidder's financial resources, the bidder's experience in the type of work required by the District, the bidder's organization available for the performance of the contract and any other required evidence of the bidder's qualification to perform the proposed contract. The district may consider such evidence before making its decision awarding the bid. Failure to submit evidence of a bidder's responsibility to perform may result in rejection of the bid.

CONTRACTOR'S RESPONSIBILITIES: In the performance of any operations hereunder, contractor shall furnish at its own expense and cost any and all necessary labor bonds, permits, materials, supplies, machinery, equipment, tools, transportation and anything else necessary to perform and complete the work covered by this Agreement, other than items which CCCD specifically agrees in writing to furnish. Contractor and any of its' subcontractors shall assume all risks for any damage to or destruction of contractor's tools, machinery, equipment or materials of any kind or character resulting from any cause unless otherwise specified. All materials shall be new and of a grade and quality adequate for the required use and Contractor warrants that the quality of the work done and materials used will be to the highest standard now prevailing in the industry for work of such nature in every respect.

CABRILLO COMMUNITY COLLEGE DISTRICT

**REQUEST FOR PROPOSALS 12-04
SELECTION OF AUDITORS TO PROVIDE
AUDIT SERVICES**

November 17, 2011

The Cabrillo Community College District is seeking proposals from qualified audit firms to provide audit services to the District. The attached Request for Proposals includes a description of the areas for which audit services are required.

Qualified firms are invited to submit a written bid proposal that meets the requirements described herein no later than **3:00 p.m. January 5, 2012** to the following address:

Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management
Cabrillo Community College District
Building 2030
6500 Soquel Drive
Aptos, CA 95003
(831) 477-3521

Firms submitting proposals are advised to read the contents carefully and to answer all questions completely. Questions or comments must be submitted in writing to Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management by email semuindi@cabrillo.edu on or before 3:00 p.m. on December 2, 2011. Firms are cautioned that contact with members of the Governing Board, other administrators, or college employees will result in disqualification.

This Request for Proposals does not commit the Cabrillo College District to award a contract or pay any costs incurred in the preparation of a proposal responsive to this request. The District reserves the right to accept all or part of any proposal or to cancel in part or in its entirety this Request for Proposals. The District further reserves the right to accept the proposal that it considers to be in the best interest of the District.

Thank you for your interest in working with the Cabrillo Community College District.

Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management
Cabrillo Community College District

CABRILLO COMMUNITY COLLEGE DISTRICT

I. STATEMENT OF PURPOSE:

The Cabrillo Community College District invites qualified audit firms to submit proposals to provide audit services for the District for the period beginning July 1, 2012 for a period of up to 5 years.

The District will review the qualifications presented by audit firms based upon the criteria set forth in this request. The Governing Board will make the final selection. The District and the selected auditor (s) will meet to discuss and agree upon a satisfactory contract for services.

This Request for Proposals does not commit the Cabrillo Community College District to award a contract or any costs incurred in the preparation of a proposal. The District reserves the right to accept all or part of any proposals or to cancel in part or in its entirety the Request for Proposals. The District further reserves the right to accept the proposal that it considers to be in the best interest of the District.

II. BACKGROUND

Cabrillo College is one of 112 public California community colleges. Situated on the Monterey Bay in the county of Santa Cruz, California, Cabrillo College is one of the most highly regarded community colleges in the state for its success in the area of transfer and career education and currently serves over 16,000 students with over 500 full time employees. Classes are conveniently offered at several locations including the main campus in Aptos at 6500 Soquel Drive; the Cabrillo College Watsonville Center, located at 318 Union Street in downtown Watsonville; and at several locations in downtown Santa Cruz.

Cabrillo's career education is closely connected to the nearby Silicon Valley business environment as well as that of the greater San Francisco Bay Area. Cabrillo College offers a variety of programs that lead to Skills Certificates, Certificates of Proficiency, and A.S. Degrees. In addition, Cabrillo College offers basic skills courses and courses for business, professional and personal development. A variety of not-for-credit classes are available on a fee basis through the Community Education Department.

Cabrillo College is accredited by the Accrediting Commission of Community and Junior Colleges of the Western Association of Schools and Colleges.

The District utilizes the following funds and account groups:

Funds

- Unrestricted General Fund
- Restricted General Fund
- Debt Service Fund
- Child Development Fund
- Building Fund
- General Obligation Bond Fund
- Bookstore Fund
- Cafeteria Special Revenue Fund
- Associated Students Fund
- Trust & Agency Fund
- Scholarship & Loan Trust Fund

- Student Financial Assistance Fund
- Student Representation Fee Trust Fund
- Student Center Fee Fund
- Retiree Benefit Fund

Accounting Groups

- General Fixed Assets
- General Long-Term Debt

Auxiliary Organizations

College Foundations (inclusive of completion of annual tax return)

Proposition 39 Bond Measure

College 2004 Measure D bond financial and performance audit

District budget and prior audit information can be obtained at:
<http://www.cabrillo.edu/internal/businessoffice/>

GENERAL INSTRUCTIONS

A. Proposals

Proposals must be complete to be considered. Proposals should be verified before submission since proposals may not be adjusted after submission to the District. The District will not be responsible for errors or omissions on the part of the organization in preparation of a proposal. Proposals must be valid for a minimum of 90 days after the submittal deadline.

B. Signatures

All proposals must include an original signature of an authorized officer of the firm submitting the proposal.

C. Acceptance of Submittals

Proposals shall be submitted by no later than 3:00 p.m. on January 5, 2012. Proposals shall be delivered to the attention of

Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management
 Cabrillo Community College District
 Building 2030
 6500 Soquel Drive
 Aptos, CA 95003
 (831) 477-3521

It is the sole responsibility of the person submitting the proposal to see that it is delivered on time. Proposals received after 3:00 p.m. on January 5, 2012 will be returned to the submitting firm unopened.

Proposals must be clearly marked:

AUDITORS PROPOSAL RESPONSE REQUIREMENTS FOR PROPOSALS B12-04

D. Questions or Comments

Questions or comments regarding this Request for Proposals must be submitted in writing to Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management, at semuindi@cabrillo.edu on or before 3:00 p.m. on December 2, 2011. Firms and/or individuals are directed **NOT** to make contact with members of the Governing Board, other District administrators, or college employees, under penalty of disqualification.

E. Copies of Proposal

Each proposal submitted must include a copy with the original signature plus eight (8) complete copies of the original.

F. Withdrawal of Proposal

Once delivered to the district, proposals may be withdrawn at any time prior to 3:00 p.m. January 5, 2012. Requests to withdraw must be submitted in writing to Serena Muindi, Interim Director of Purchasing, Contracts & Risk Management, at semuindi@cabrillo.edu and include the signature of an authorized officer of the firm submitting the proposal.

G. Rights of the District

All copies of all proposals and their contents will become public documents immediately following the official opening. Proposals will be made available for public scrutiny.

All proposal documents and attachments thereto will be the property of the Cabrillo Community College District. The District will not return documents.

All auditors are notified that the selection of audit services resulting from this Request for Proposals is dependent upon approval by the Governing Board which reserves the right to reject all or part of all submittals or resolicit if deemed to be in its best interest.

The District reserves the right to incorporate standard contract provisions into any contract negotiated as a result of a proposal submitted in response to this request.

H. Award of Contract

If the contract is awarded, it will be to the responsible Auditor whose proposal is deemed to be the best proposal and whose proposal meets the need of the District. It is anticipated that the contract will be awarded within the ninety (90) day period that proposals are required to remain open. If award cannot be made within that time, Auditors will be requested in writing to extend the time period during which the Auditor agrees to be bound by their proposal. Written notification will be made to unsuccessful Auditors.

III. DESCRIPTION OF SERVICES REQUIRED

The selected audit firm will be expected to meet the following objectives:

- To render an opinion as to whether the financial statements of the District present fairly its financial position and results of operations in conformity with generally accepted accounting principles.
- To assess the adequacy of the District's internal accounting control systems and procedures for financial accounting and reporting purposes and for compliance with certain federal and state rules and regulations.
- To assess the adequacy of the District's internal accounting and administrative controls used in administering federal financial assistance programs.
- To report on compliance with laws and regulations that may have a material effect on the financial statements and identify findings of noncompliance and questioned costs.
- To report on a schedule of the District's federal financial assistance programs showing total expenditures for each program.
- To determine whether certain financial and related reports to state agencies are presented fairly in all material respects.
- To recommend appropriate actions to correct any deficiencies noted in the course of the audit.
- To perform an audit of the District 2004 Measure D bond expenditures in compliance with Proposition 39 requirements.

IV. CONTENTS OF PROPOSAL

All proposals shall address the following items in the order listed below and shall be numbered "A" through "L" in the proposal document:

- A. Name, address and telephone number of organization.
- B. Name, address and telephone number of contact person for organization.
- C. Describe your organization. Is it an individual, a corporation, a partnership or a joint venture? Include the size, location, nature of work performed and years in business.
- D. Identify and provide a brief resume of all principals and team members who will be participating in the audit for the District including the field office from which they will be assigned. Include education and related experience of each audit team member over the last three years. Also include a description of continuing education experience for each member over the same time period.
- E. Provide a positive statement that the following mandatory criteria are satisfied:
 - 1. An affirmation that the respondent is properly licensed for practice as a Certified Public Accountant.
 - 2. An affirmation that the respondent does not have a Record of Substandard Audit work.
 - 3. An Affirmation that the respondent meets the independence requirements of the current Standards for Audit of Governmental Organizations, Programs, Activities and Functions.
 - 4. An affirmation from the respondent meets all specific requirements imposed by state or local law or rules and regulations.
 - 5. An affirmation from the respondent stating they will follow the American Institute of Certified public Accountants' Interpretation 201-3, Failure to Follow Standards and/or Procedures or other Requirements in Governmental Audits."

- F. Give a brief overview of the process your firm follows in attracting and retaining quality professional associates. What policies/procedures do you follow to ensure equal opportunity for minorities?
- G. Provide a copy of your most recent peer review team's independent report.
- H. Describe previous experience in auditing school agencies. Highlight any experience directly related to audit of community colleges. Give no fewer than five (5) names, addresses and telephone numbers for public school references. Referenced agencies should be identified as elementary (K-8), secondary (9-12), or post-secondary and audits should have been completed within the last five (5) years.
- I. Describe previous experience in auditing other than school agencies. Give no fewer than five (5) names, addresses and telephone numbers for references.
- J. Briefly describe the audit approach and work plan to include a timeline your firm will use in conducting the audit to ensure that the needs of the District are met and the audit is completed in a timely manner. Please address proposed resources and a timing of each phase.
- K. Provide a fee proposal for each of the five years and describe the method you propose for charging fees for the audit. Please separate out the proposal for the District audit, the Measure D Proposition 39 bond audit, and the Foundation audit.
- L. Include any additional information you feel is pertinent to this proposal.

V. SELECTION PROCESS

The selection process that will be used by the District in selecting a firm to complete an audit as outlined in this Request for Proposals will be as follows:

- A. The Vice President of Administrative Services, the Director of Business Services and selected department employees will review all legally submitted proposals. They will screen the number of applicants to reduce the list to a workable number of the most qualified firms to provide the services to the District. The criteria used to screen proposals will be left to the discretion of the District.
- B. The Selection Committee as determined by the screening of proposals will invite the most qualified applicants as determined by the District for a presentation/interview. The Committee will further reduce the number of applicants to a list of finalists.
- C. The Committee will make recommendations to the Governing Board for the firm to complete the audit described in this Request for Proposals.
- D. The Governing Board will make the final selection of the audit firm and will direct Administration to award the contract.

CABRILLO COMMUNITY COLLEGE DISTRICT

COST PROPOSAL RESPONSE FORM

Pursuant to and in compliance with the Notice to Auditors Calling for Proposals and all other documents relating thereto, the undersigned Auditor, having become familiarized with the terms and conditions of the proposal documents, hereby proposes and agrees to perform, within the time stipulated, the work to be done and to provide all labor and materials necessary to perform the work in connection with:

1. **CONTRACT PRICE - CABRILLO COMMUNITY COLLEGE DISTRICT** for the following fiscal years ending June 30:

Maximum Fee:	2013	2014	2015	2016	2017
CABRILLO Community College District	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
District Foundation	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
District General Obligation Bond Funds	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

2. The hourly rate of any additional work to be performed will be at the following rates:

<u>Employee Title</u>	<u>Hourly Rate</u>
_____	_____
_____	_____
_____	_____
_____	_____

3. It is understood that the District reserves the right to reject this proposal and that this proposal will remain open and not be withdrawn for a period of ninety (90) days after the date scheduled for submission of proposals.

The names of all persons interested in the foregoing proposal as principals are as follows:

_____	_____
Name	Title
_____	_____
Name	Title
_____	_____
Name	Title

4. Auditor certifies that the Auditor is properly licensed, certified public accountant on or before January 5, 2012.

Auditor certifies that the audit will be made in accordance with generally accepted auditing standards; Office of Management and Budget (OMB) Circulars A-128 and A-133; the General Accounting Office's (GAO) Standards for Audit of Governmental Organizations, Programs, Activities and Functions; and the standards specified in the California Community Colleges Contracted District Audit Manual.

Auditor understands the primary purpose of the examinations as specified herein is to express an opinion on the financial statements and that such an examination is subject to the inherent risk that errors or irregularities may not be detected. If conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities may exist, or if any other circumstances are encountered that require extended services, the Auditor will promptly advise the District. No extended services will be performed unless they are authorized by the District and the agreement covering the work to be done has been amended to reflect such extended services.

Auditor shall certify that in accordance with auditing standards and other applicable guidelines and regulations, the Auditor will select the necessary procedures to test compliance and to disclose noncompliance with specified laws, regulations and contracts.

Billing Terms: Please specify method of billing for duration of audit to completion.

Bid submitted by:

Signature

Date

Print Name

Company Name

Address

City & State

Zip Code

Telephone Number

FAX Number

E-mail Address

NOTE: If the Auditor is a corporation, the legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the documents shall bear the corporate seal; if the Auditor is a partnership, the true name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if the Auditor is an individual, his signature shall be placed above.

CABRILLO COMMUNITY COLLEGE DISTRICT

BIDDER'S REFERENCES

Each bidder must provide the following information for at least five (5) customers to whom the bidder has provided services the same as or similar in specifications and capability to that specified in this bid proposal. Preference to references in the following order; California Community College Districts, any Community College District, any Community College, any California College, any College, any California Public Institution. (Responses to reference checks will be considered in the award of the bid proposal.)

1. Customer name, address, telephone number, and fax number.
2. Customer contact person name, title, telephone number, and e-mail address.
3. Gross collection statistics including the Recovery Rate for each reference.

CABRILLO COMMUNITY COLLEGE DISTRICT

BIDDER BUSINESS STRUCTURE

Each bid must give the full business address of the bidder and must be signed by the bidder with his or her usual signature.

1. Bids by partnerships must furnish the full names of all partners and must be signed in the partnership name by a general partner with authority to bind the partnership in such matters.
2. Bids by corporations must be signed with the legal name of the corporation, followed by the signature and designation of the President, Secretary, or other person authorized to bind the corporation in this matter. The name of each person signing shall also be typed or printed below the signature. When requested by CCCD, satisfactory evidence of the authority of the Officer signing on behalf of the corporation shall be furnished.
3. No bid is valid unless signed by the person authorized to execute bids on behalf of the firm.

A bidder's failure to properly sign required forms may result in rejection of the bid.

Please print or type the following information:

- A. Nature of firm (sole proprietorship, partnership, corporation.):
- B. Corporation organized under the laws of the State of:
- C. Names and titles of individual members of the sole proprietorship, partnership, corporation:

Signature & Date _____

Print Name & Title _____

CABRILLO COMMUNITY COLLEGE DISTRICT

NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA
COUNTY OF _____

I, _____, being first duly sworn, deposes and says
(Typed or Printed Name)

that I am the _____ of _____,
(Title) (Bidder Name)

the party submitting the foregoing Bid Proposal ("the Bidder"). In connection with the foregoing Bid Proposal, the undersigned declares, states and certifies that:

1. The Bid Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization or corporation.
2. The Bid Proposal is genuine and not collusive or sham.
3. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any other bidder or anyone else to put in sham bid, or to refrain from bidding.
4. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price, or that of any other bidder, or to fix any overhead, profit or cost element of the bid price or that of any other bidder, or to secure any advantage against the public body awarding the contract or of anyone interested in the proposed contract.
5. All statements contained in the Bid Proposal and related documents are true.
6. The bidder has not, directly or indirectly, submitted the bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any person, corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Executed this ____ day of _____, 20__ at _____.
(City, County and State)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature

(Address)

Name Printed or Typed

County and State) (City,

(_____) _____
(Area Code and Telephone Number)

CABRILLO COMMUNITY COLLEGE DISTRICT

INSURANCE/INDEMNITY REQUIREMENTS

INSURANCE: Contractor shall not commence work nor shall contractor allow any subcontractor to commence work under this contract until all required insurance and certificates have been delivered to and approved by the CABRILLO Community College District.

To protect CCCD against liability, loss or expense arising from damage to property or injury to any person arising out of, in connection with or resulting from the work provided for hereunder, Contractor shall, during the progress of the work, carry, at its own expense, insurance with the minimum coverages as follows:

1. Insurance carriers shall be a company admitted to do business in the State of California, should have a BEST rating of A, with a satisfactory financial rating, and satisfactory to CCCD.
2. Insurance and certificates shall be provided on authorized forms provided by carriers.
3. Certificates and insurance policies shall include the following clause:

"This policy shall not be cancelled or reduced in required limits of liability or amounts of insurance until a 30 day written notice has been mailed to Owner stating date of cancellation or reduction.

Note: Contractor shall not cancel or make any material change in any certificates and/or insurance policies without ninety (90) days prior written notice to the CCCD and without written consent from the CCCD.

4. The CABRILLO Community College District and its' agents, directors, officers, employees, and servants shall be named as additional insured on all insurance and certificates pertaining to this work, through its completion. Contractor shall include with their certificate of insurance a separate endorsement page naming the *CABRILLO Community College District as additional insured*.
5. Certificate of insurance shall state in particular those insured, extent of insurance, location and operation in which insurance applies, expiration and date of cancellation and reduction notice.
6. Comprehensive General Liability Insurance, including Contractors Contingent coverage, with limits of not less than \$1,000,000 per occurrence Bodily Injury and Property Damage. (Combined single limits.) Individual categories as applicable.
 - a. Premises and Operations Coverage;
 - b. Contractual Liability covering liabilities assumed under this contract;
 - c. Products and Completed Operations Coverage;
 - d. Broad Form Property Damage Liability endorsement;
 - e. Personal Injury Liability;
 - f. Fire Legal Liability;
 - g. Independent Contractors;
 - h. Territorial extension to cover all work areas;
 - i. Coverage for liability resulting from the consumption of food prepared or served by Contractor or Subcontractor. (If applicable.)
7. Workers' Compensation Insurance and Occupational Disease Insurance as required by law and Employer's Liability Insurance with limits of not less than \$1,000,000 for any accident or occupational disease covering location of all work places involved in this Contract. Individual categories as applicable to this Contract.
 - a. Protection for liabilities under the Federal Longshoremen's & Harbor Workers'

- Compensation Act and Outer Continental Shelf Lands Act. (If applicable.)
- b. Coverage for liability under the Merchant Marine Act of 1920, commonly known as the Jones Act; the Admiralty Act; and the Death on the High Seas Act with limits of not less than \$1,000,000 per accident. (If applicable.)
 - c. Coverage amended to provide that a claim in REM shall be treated as a claim against the employer.
 - d. Territorial extension to cover all work areas.
8. Automobile Bodily Injury and Property Damage Insurance, including all owned automobiles, hired automobiles and non owned automobiles and equipment, with limits of not less than \$1,000,000 per occurrence Bodily Injury and Property Damage. (Combined single limits.)
9. Special Hazards Insurance (such as explosion hazard, collapse hazard, underground hazard, etc.): Where specified, special hazards shall be covered by rider or riders to above mentioned insurance coverage or by special policies of insurance.
10. Other Insurance: In the event CCCD should desire any other type of insurance during term of the contract, such insurance shall be provided by Contractor with such firm or firms as CCCD may direct and the Contract price shall be adjusted by an amount equal to the cost of such insurance.

Contractor's insurance coverage shall be primary insurance as respects CCCD, its agents, directors, officers, employees or servants. Any insurance maintained by CCCD shall be excess of Contractor's insurance and shall not contribute with it.

Contractor shall also be solely responsible for subcontractors compliance to insurance requirements specified herein. Should subcontractors insurance coverage be less than the minimum insurance requirements specified herein, CCCD, at its option may (1) require Contractor to secure such minimum coverage, or (2) purchase insurance necessary to provide such minimum coverage and charge the premiums therefore to the Contractor's account.

Failure to secure the insurance coverages or the failure to comply fully with any of the insurance provisions of this Contract, or the failure to secure such endorsements on the policies as may be necessary to carry out the terms and provisions of this Contract, shall in no way act to relieve Contractor from the obligations of this Contract, any provisions hereof to the contrary notwithstanding. In the event that liability for any loss or damage be denied by the underwriter or underwriters, in all or in part, because of breach of said insurance by Contractor, or for any other reason, or if Contractor fails to maintain any of the insurance herein required, Contractor shall hold harmless, defend and indemnify CCCD against all claims, demands, costs and expenses, including attorney's fees which would otherwise be covered by said insurance and any other damages resulting from lack of insurance required hereunder.

INDEMNITY: Contractor hereby indemnifies and agrees to hold harmless CCCD, and any agents, directors, officers, employees, or servants of CCCD, from and against all claims, demands, liabilities, costs, judgments, obligations, and causes of action of every kind and character (except as hereinafter provided), including without limitation the cost of defense and attorney's fees incurred, arising out of, incident to, or in connection with this Contract or performance of work or services hereunder or breach of the terms hereof, regardless of whether the liability therefore is based upon some alleged act or omission of CCCD or of Contractor or of some third or other party, and including without limitation by enumeration all taxes, claims, debts fined, penalties, forfeitures, patent infringements, loss of use, death injury and damages to all persons and property together with the amount of judgments, penalties, interest, court costs, legal and other fees and expenses in connection therewith. With respect to liability based upon some alleged act or omission of CCCD or someone not a party hereto or other party, not an agent or subcontractor of Contractor, this indemnity shall not be limited to the kinds and amounts of insurance Contractor agrees to carry under this Agreement, or such greater amounts as Contractor does in fact carry. Contractor shall not be held responsible and CCCD shall indemnify and save harmless Contractor for any losses, expenses, claims, actions, costs, judgments, subrogations, liabilities or damages caused by the sole negligence or willful misconduct of CCCD.

The aforementioned duty to indemnify and hold harmless shall include the duty to defend as established in Section 27-8 of the California Civil Code.