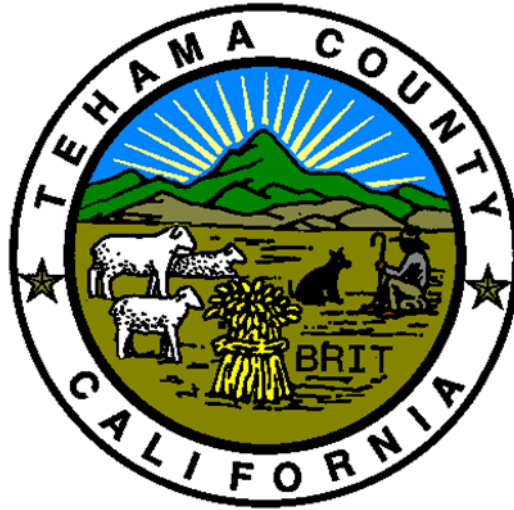


COUNTY OF TEHAMA



REQUEST FOR PROPOSALS (RFP)

AUDIT SERVICES FOR THE ANNUAL FINANCIAL STATEMENTS AND SINGLE AUDIT

Proposals to be submitted to:

**Arminda Searcy, Administrative Analyst
Tehama County Administration
727 Oak Street
Red Bluff, CA 96080**

By

5:00 P.M. PST Monday, March 2, 2026

A. Project Background and Description

The County of Tehama is requesting proposals from qualified firms of certified public accountants to audit its financial records for up to three fiscal years, June 30, 2026, through June 30, 2028, with an option by the County to extend the contract for one or two additional years.

The audit shall be conducted according to generally accepted auditing standards, as set forth by the U.S. Government Accountability Office's Government Auditing Standards, Governmental Accounting Standards Board (GASB), and the American Institute of Certified Public Accountants, in compliance with the provisions of the Federal Single Audit Act, the U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*, and California Government Code section 25250. The complete scope of work is expressed within this document.

Proposals must be received by **5:00 p.m. on Monday, March 2, 2026.**

B. General Information

The County of Tehama is a charter county. The governing body is a five member Board of Supervisors. The Board is responsible for the executive and legislative activities of the County.

A County Chief Administrator is appointed by, and reports to, the Board of Supervisors. Departmental units of the County government are under the direction of elected officials or appointed department heads. The County departments are housed in multiple locations in the cities of Red Bluff and Corning, and the communities of Los Molinos and Gerber.

The Auditor-Controller, an elected official, is the chief financial officer of the County. Accounting records and financial statements are maintained by the Office of the Auditor-Controller.

Generally, the County of Tehama adheres to accounting principles, standards and procedures prescribed by the California State Controller's Office as set forth in the Accounting Standards and Procedures for Counties manual, which in turn generally conforms to the National Council on Governmental Accounting's Statement No. 1 for financial statement presentation; however, daily accounting activity transactions are posted on a cash basis. At year-end, schedules are prepared to convert cash basis to an accrual basis for the general, special revenue and fiduciary type funds. All agency funds are accounted for on an accrual basis.

County funds currently governed by the Board of Supervisors are as follows, although, new funds are occasionally added:

- General Fund
- 15 Non-Major Special Revenue Funds
- 5 Major Special Revenue Funds

- 1 Proprietary Fund
- 4 Internal Service Funds
- Debt Service Fund
- Capital Projects Fund
- Misc. Trust and Agency Funds
- General Fixed Asset
- General Long Term Debt Account Groups

The County's fiscal year is July 1st through June 30th.

In fiscal year 2024/25 the County had an annual countywide budget of \$280,495,957 with \$55,220, 082 budgeted for gross salary payroll for 917.7 full time equivalent employee positions.

The County's annual budget book and the Audit Report for Fiscal Year 2024/25 are available upon request (audit report will be available after February 28, 2026).

The fund accounting system is a Central Square Finance Enterprise software product, which is shared by the Auditor and Treasurer and includes a Human Resource module for Personnel and Payroll.

C. Scope of Work

The County of Tehama must comply with the provisions of the Federal Single Audit Act of 1984 and the U.S. Office of Management and Budget (OMB) Circular A-133. The independent auditor must obtain an understanding of internal control over the financial reporting and compliance, sufficient to express an opinion on the financial statements, and determine whether the County has complied with laws, regulations, and provisions of contract and grant agreements.

In addition to working closely with the County Auditor-Controller's staff, the independent auditor will be required to coordinate with the County's federal cognizant audit agency and the California State Controller's Office to ensure that the requirements of the Single Audit are met.

The scope of work required shall include the following components:

1) County's Basic Financial Statements

As part of the audit, the independent auditor will ensure that the County financial statements and related notes are prepared in accordance with generally accepted accounting principles and presented in accordance with the financial reporting model as described in Government Accounting Standards Board (GASB) Statement No. 34. The County will review, respond and approve the draft report and financial statements prior to their issuance.

This phase of the audit must also satisfy California Government Code section 25250.

2) Schedule of Expenditures of Federal Awards

Under this section, the independent auditor will be required to:

- Prepare and determine whether the schedule is presented fairly in all material respects
- Obtain an understanding of internal control over financial reporting and compliance sufficient to express an opinion on the financial statements
- Determine whether the County has complied with laws, regulations and provisions of contract or grant agreements

3) California State Office of Emergency Services and Board of Corrections

Report on schedule of County expenditures of California State Office of Emergency Services (OES) and Board of Corrections (BOC) awards.

The independent auditor must obtain an understanding of internal control over the financial reporting and compliance, sufficient to express an opinion, and determine whether the County has complied with laws, regulations, and provisions of contract and grant agreements.

4) Appropriation Limitation Calculation

The independent auditor shall review the annual calculation of the appropriations limit to determine County compliance under Section 1.5 of Article XIII B of the California Constitution.

In addition to the above scope of work, the selected contractor shall agree to the following terms and conditions:

The independent auditor shall have access to and will be permitted to use figures, tabulations, statistical schedules and other data prepared by the County Auditor-Controller's Office, but neither the County Auditor-Controller nor any member of his staff shall be employed by the independent auditor in connection with the audit, nor will they perform any service other than the performance of their regular duties.

The independent auditor shall hold their findings and reports, and any information whatsoever received from the County, as confidential, and shall provide such findings and reports only to the County Board of Supervisors, Auditor-Controller, Chief Administrator and Administrative Services Director unless otherwise required by law.

Delivery of the draft audit report will be on or before February 15th of each year. Delivery of the final audit report will be on or before March 15th of each year. The independent auditor will supply the County with as many copies of the audit reports as may be required, and shall submit required audits to the California State Controller's Office and grantors as requested. An electronic version of all final reports will be made available to County no later than March 15th of each year.

Because the County may suffer damage caused by diminishment of the County's financial rating and potential ineligibility to receive State and Federal funding for County programs should the independent auditor fail to timely and successfully complete the Scope of Work, the independent auditor will be liable for and pay to the County the sum of \$250.00 (two hundred fifty dollars) as liquidated damages for each and every calendar day beyond March 15th, until the services are successfully completed, unless the independent auditor's performance is delayed by impossibility of performance or material breach of the County's obligations.

D. Questions

Please direct all questions regarding this RFP in writing via email to Arminda Searcy at asearcy@tehama.gov. The deadline to submit questions is February 6, 2026; therefore, questions received after this date will not be answered. Questions will be answered by addenda to all recipients of the original RFP by February 13, 2026.

The respondent is solely responsible for providing their e-mail address to the County. All respondents are bound by the addenda, whether or not actually received by the respondent.

E. Submission of Proposal

1. ***Submittal Requirements:*** One (1) electronically signed, complete Proposal by **Monday, March 2, 2026, at 5:00 p.m. PST.** Proposal must be electronically signed by the authorized employee or agent in order to be considered. Proposals must be submitted in PDF format and must be submitted electronically to asearcy@tehama.gov and kpetererson@tehama.gov containing a subject line of "**PROPOSAL RE: TEHAMA COUNTY AUDIT SERVICES**".
2. ***Content of Proposal:*** For ease of review and to facilitate evaluation, the following information shall be included in the proposal package in order to be considered responsive. All items should be organized in accordance with and in order of the direction provided below:
 - a) **Letter of Introduction (Optional):**
Letter of Introduction on company letterhead.
 - b) **Approach and Methodology:**
State general methodology and describe resources to be used in accomplishing each major task as set forth in the Scope of Work above. This proposal should demonstrate

a clear understanding of the nature of work to be performed under the agreement and it's relation to the County's needs. Each major task area should be addressed separately.

c) Professional Qualifications and Experience:

A statement of your firm's background and experience in providing auditing and management consultant services to California counties and county agencies, and provide references from other California counties.

d) Staffing:

A declaration of your firm's ability and willingness to commit and maintain staffing, both number and level, to successfully complete a commitment of this size and detail.

e) Key Personnel:

Names and titles of key individuals to be assigned to the audit along with a statement of qualifications of the key individuals including their experience in auditing of California counties, auditing in general, and any specialized expertise such individuals might have which is applicable to this engagement.

f) Proposals as Part of a Professional Services Agreement:

The contents of the proposal submitted by the successful firm and accepted by the County will become part of the successful proposer's contractual obligations and will be included in the professional services agreement with Tehama County. The successful firm shall be required to execute an agreement on the County's approved form. A draft of this agreement is included with this RFP as "Attachment "A": Sample Agreement / Insurance Requirements." The agreement is subject to the satisfactory negotiation of terms, approval of the County Board of Supervisors and the annual availability of an appropriation.

As set forth in the Standard Form of Agreement, the selected independent auditor will be required to provide the County a certificate of insurance as evidence of insurance protection. Independent auditor shall also provide and maintain an errors and omissions liability policy (also known as professional liability). The Standard Form of Agreement requires single limits of liability not less than \$1,000,000 per claim and \$2,000,000 aggregate.

g) Litigation/Arbitration/Termination in the last seven (7) years:

If any of the agreement signatories have been a party in any litigation, mediation, arbitration with an owner, or if they have been terminated for cause, describe each event in detail and indicate the final results. Additional backup may be included in an Appendix.

h) Fee Schedule:

A statement of your estimated time and proposed cost schedule presented in a format similar to the following **for each fiscal year:**

| <u>Classification</u> | <u>Hourly Rate</u> | <u>Estimated Hrs</u> |
|--------------------------------|--------------------|----------------------|
| Auditor, Partners, Managers | _____ | _____ |
| Supervisors | _____ | _____ |
| Senior Accountants | _____ | _____ |
| Semi-Senior/Junior Accountants | _____ | _____ |
| Clerical and Report | _____ | _____ |

Cost Schedule

- | | |
|--|-------|
| 1. County's Basic Financial Statements | _____ |
| 2. Schedule of Expenditures of Federal Awards | _____ |
| 3. California State Office of Emergency Services and Board of Corrections | _____ |
| 4. Appropriation Limitation Calculation | _____ |

Total Proposed Cost for FY ending: _____

All phases of the audit services must be included in the proposal, as the County finds it desirable to retain one auditor to satisfy all of the County's needs.

i) Additional Information:

Include any other information you believe to be pertinent but not required.

F. Selection Process

It is the County's intent to select the firm with the best qualifications and is the most favorable overall to the County's interest. This determination will be made by the County in its sole discretion.

1. All submittals received by the specified deadline in Section E(1) will be reviewed by an evaluation committee to determine which firms will be selected for further consideration.
2. County employees will not participate in the selection process when those employees have a relationship with a person or business entity submitting a submittal which would subject those employees to the prohibition of Sections 1090 and 87100 of the Government Code. Any person or business entity submitting a submittal who has such a relationship with a County employee who may be involved in the selection process shall advise the County of the name of the County employee in the submittal.

3. The County may, during the evaluation process, request from any respondent additional information which the County deems necessary to determine the respondent's ability to perform the required services. If such information is requested, the respondent shall be permitted three (3) working days to submit the information requested.
4. At the discretion of the County, the highest rated firms will be recommended for further evaluation. Interviews of these firms may be conducted as part of the final selection, but the County reserves the right to eliminate the interview portion of this process.
5. The County reserves the right to select the firm which, in its sole judgment, best meets the needs of the County. **The order of ranking or lowest proposed cost is not the sole criterion for recommending contract award.**
6. The firms selected by the evaluation committee will be recommended to the Board of Supervisors, but the Board is not bound to accept the recommendation or award any contracts to the recommended firms.

G. Tentative Selection Schedule

| Date | Event |
|-----------------------------|--|
| January 13, 2026 | Publication of RFP |
| February 6, 2026 | Clarifying questions due to County |
| February 13, 2026 | Response to clarifying questions issued by County |
| March 2, 2026 5:00 P.M. PST | Independent auditor's proposals due to County |
| March 6, 2026 | County to complete evaluation of proposals |
| March 11-18, 2026 | Interviews conducted, if necessary |
| March 18, 2026 | County to select independent auditor |
| March 31, 2026 | Agreement presented to Board of Supervisors for approval to be effective upon approval |

H. General Information

1. County's Rights, Options, and Policies

- a) The County reserves the right to modify, postpone, or cancel this RFP at any time and/or reject any and all submissions without indicating any reason. No RFP documents will be returned.
- b) The County reserves the right to reject individual team members, firms, consultants and/or request substitutions(s). The County reserves the right to terminate the consultant agreement if the proposed individual(s) is changed after selection and/or following the award of the consultant agreement.
- c) No compensation is offered for any of the work related to this selection process. The submissions are entirely voluntary. All original documents, including electronic files, become the property of the County.
- d) All proposals received in response to this RFP may become public records under the laws of the State of California and the Public may be given access to them after the formal selection process has been completed.

2. Duration of RFP; Cancellation of Awards; Time of Essence

- a) All submittals will remain in effect for at least ninety (90) days after submission deadline.
- b) The selected consultant will be required to execute an agreement with the County for the services requested within sixty (60) days of the County's notice of intent to award. If agreement on terms acceptable to the County cannot be achieved within that timeframe, or if, after reasonable attempts to negotiate such terms, it appears that an agreement will not be possible, as determined at the sole discretion of the County, the County reserves the right to retract any notice of intent to award and proceed with awards to other consultants.

3. Withdrawal and Submission of Modified Submittal

- a) A respondent may withdraw a submittal at any time prior to the submission deadline with a written notification of withdrawal signed by the respondent or his/her authorized agent. The respondent must, in person, retrieve the entire sealed submission package. Another proposal may be submitted prior to the deadline but may not be changed after the designated submission deadline.

I. Attachments:

Attachment "A": Sample Agreement / Insurance Requirements

ATTACHMENT "A" – SAMPLE AGREEMENT

AGREEMENT BETWEEN THE COUNTY OF TEHAMA AND

This agreement is entered into between the County of Tehama, through its Department of -----, ("County") and ----- ("Contractor") for the purpose of -----.

1) RESPONSIBILITIES OF CONTRACTOR

During the term of this agreement, Contractor shall -----

2) RESPONSIBILITIES OF THE COUNTY

County shall compensate Contractor for said services pursuant to Section 3 and 4 of this agreement -----.

3) COMPENSATION

----- Insert appropriate paragraph from "Compensation, Billing and Payment Standard Paragraphs" (Flat Fee, Fee Schedule or Actual Cost) provided with this agreement. -----

4) BILLING AND PAYMENT

----- Insert appropriate paragraph from "Compensation, Billing and Payment Standard Paragraphs" (Flat Fee, Fee Schedule or Actual Cost) provided with this agreement. -----

5) TERM OF AGREEMENT

This agreement shall commence on the date of signing and shall terminate -----, unless terminated in accordance with section 6 below.

6) TERMINATION OF AGREEMENT

If Contractor fails to perform his/her duties to the satisfaction of the County, or if Contractor fails to fulfill in a timely and professional manner his/her obligations under this agreement, or if Contractor violates any of the terms or provisions of this agreement, then the County shall have

the right to terminate this agreement effective immediately upon the County giving written notice thereof to the Contractor. Either party may terminate this agreement on 30 days' written notice. County shall pay contractor for all work satisfactorily completed as of the date of notice. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased, or should the Tehama County Board of Supervisors fail to appropriate sufficient funds for this agreement in any fiscal year.

The County's right to terminate this agreement may be exercised by -----.

7) ENTIRE AGREEMENT; MODIFICATION

This agreement for the services specified herein supersedes all previous agreements for these services and constitutes the entire understanding between the parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no other oral or written representation.

8) NONASSIGNMENT OF AGREEMENT

Inasmuch as this agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate or sublet any interest herein without the prior written consent of the County.

9) EMPLOYMENT STATUS

Contractor shall, during the entire term of this agreement, be construed to be an independent contractor and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Contractor performs the services which are the subject matter of this agreement; provided always, however, that the services to be provided by Contractor shall be provided in a manner consistent with the professional standards applicable to such services. The sole interest of the County is to insure that the services

shall be rendered and performed in a competent, efficient and satisfactory manner. Contractor shall be fully responsible for payment of all taxes due to the State of California or the Federal government, which would be withheld from compensation of Contractor, if Contractor were a County employee. County shall not be liable for deductions for any amount for any purpose from Contractor's compensation. Contractor shall not be eligible for coverage under County's Workers Compensation Insurance Plan nor shall Contractor be eligible for any other County benefit.

10) INDEMNIFICATION

Contractor shall defend, hold harmless, and indemnify Tehama County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including but not limited to reasonable attorney's fees of County), damages, judgments, or decrees by reason of any person's or persons' injury, including death, or property (including property of County) being damaged, arising out of contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, whether by negligence or otherwise. Contractor shall, at its own expense, defend any suit or action founded upon a claim of the foregoing. Contractor shall also defend and indemnify County against any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency against the County with respect to Contractor's "independent contractor" status that would establish a liability for failure to make social security or income tax withholding payments, or any other legally mandated payment.

11) INSURANCE

Contractor shall procure and maintain insurance pursuant to Exhibit C, "Insurance Requirements For Contractor," attached hereto and incorporated by reference.

12) PREVAILING WAGE

Contractor certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If

the Services hereunder are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with and to require its subcontractors to fully comply with such Prevailing Wage Laws, to the extent that such laws apply. If applicable, County will maintain the general prevailing rate of per diem wages and other information set forth in Labor Code section 1773 at its principal office, and will make this information available to any interested party upon request. Contractor shall defend, indemnify and hold the County, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties, or interest arising out of any failure or alleged failure of the Contractor or its subcontractors to comply with the Prevailing Wage Laws. Without limiting the generality of the foregoing, Contractor specifically acknowledges that County has not affirmatively represented to contractor in writing, in the call for bids, or otherwise, that the work to be covered by the bid or contract was not a “public work.” To the fullest extent permitted by law, Contractor hereby specifically waives and agrees not to assert, in any manner, any past, present, or future claim for indemnification under Labor Code section 1781.

Contractor acknowledges the requirements of Labor Code sections 1725.5 and 1771.1 which provide that no contractor or subcontractor may be listed on a bid proposal or be awarded a contract for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5, with exceptions from this requirement specified under Labor Code sections 1725.5(f), 1771.1(a) and 1771.1(n).

If the services are being performed as part of the applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, Contractor acknowledges that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

13) NON-DISCRIMINATION

Contractor shall not employ discriminatory practices in the treatment of persons in relation to the circumstances provided for herein, including assignment of accommodations, employment of personnel, or in any other respect on the basis of race, religious creed, color, national origin,

ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation.

14) GREEN PROCUREMENT POLICY

Through Tehama County Resolution No. 2021-140, the County adopted the Recovered Organic Waste Product Procurement Policy (available upon request) to (1) protect and conserve natural resources, water and energy; (2) minimize the jurisdiction's contribution to pollution and solid waste disposal; (3) comply with state requirements as contained in 14 CCR Division 7, Chapter 12, Article 12 (SB 1383); (4) support recycling and waste reduction; and (5) promote the purchase of products made with recycled materials, in compliance with the California Integrated Waste Management Act of 1989 (AB 939) and SB1382 when product fitness and quality are equal and they are available at the same or lesser cost of non-recycled products. Contractor shall adhere to this policy as required therein and is otherwise encouraged to conform to this policy.

15) COMPLIANCE WITH LAWS AND REGULATIONS

All services to be performed by Contractor under to this Agreement shall be performed in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. Any change in status, licensure, or ability to perform activities, as set forth herein, must be reported to the County immediately.

16) LAW AND VENUE

This agreement shall be deemed to be made in, and shall be governed by and construed in accordance with the laws of the State of California (excepting any conflict of laws provisions which would serve to defeat application of California substantive law). Venue for any action arising from this agreement shall be in Tehama County, California.

17) AUTHORITY

Each party executing this Agreement and each person executing this Agreement in any representative capacity, hereby fully and completely warrants to all other parties that he or she

has full and complete authority to bind the person or entity on whose behalf the signing party is purposing to act.

18) NOTICES

Any notice required to be given pursuant to the terms and provisions of this agreement shall be in writing and shall be sent first class mail to the following addresses:

- a. If to County: _____
 - i. _____
 - ii. _____
- b. If to Contractor: _____
 - i. _____
 - ii. _____

Notice shall be deemed to be effective two days after mailing.

19) NON-EXCLUSIVE AGREEMENT

Contractor understands that this is not an exclusive agreement, and that County shall have the right to negotiate with and enter into agreements with others providing the same or similar services to those provided by Contractor, or to perform such services with County's own forces, as County desires.

20) STANDARDS OF THE PROFESSION

Contractor agrees to perform its duties and responsibilities pursuant to the terms and conditions of this agreement in accordance with the standards of the profession for which Contractor has been properly licensed to practice.

21) LICENSING OR ACCREDITATION

Where applicable the Contractor shall maintain the appropriate license or accreditation through the life of this contract.

22) RESOLUTION OF AMBIGUITIES

If an ambiguity exists in this Agreement, or in a specific provision hereof, neither the Agreement nor the provision shall be construed against the party who drafted the Agreement or provision.

23) NO THIRD PARTY BENEFICIARIES

Neither party intends that any person shall have a cause of action against either of them as a third party beneficiary under this Agreement. The parties expressly acknowledge that is not their intent to create any rights or obligations in any third person or entity under this Agreement. The parties agree that this Agreement does not create, by implication or otherwise, any specific, direct or indirect obligation, duty, promise, benefit and/or special right to any person, other than the parties hereto, their successors and permitted assigns, and legal or equitable rights, remedy, or claim under or in respect to this Agreement or provisions herein.

24) HAZARDOUS MATERIALS

Contractor shall provide to County all Safety Data Sheets covering all Hazardous Materials to be furnished, used, applied, or stored by Contractor, or any of its Subcontractors, in connection with the services on County property. Contractor shall provide County with copies of any such Safety Data Sheets prior to entry to County property or with a document certifying that no Hazardous Materials will be brought onto County property by Contractor, or any of its Subcontractors, during the performance of the services. County shall provide Safety Data Sheets for any Hazardous Materials that Contractor may be exposed to while on County property.

25) HARASSMENT

Contractor agrees to make itself aware of and comply with the County's Harassment Policy, TCP&R §8102: Harassment, which is available upon request. The County will not tolerate or condone harassment, discrimination, retaliation, or any other abusive behavior. Violations of this policy may cause termination of this agreement.

26) COUNTERPARTS, ELECTRONIC SIGNATURES – BINDING

This agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ((“CUETA”) Cal. Civil Code §§ 1633.1 to 1633.17), for executing this agreement. The Parties further agree that the electronic signatures of the Parties included in this agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among Parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the Parties. For purposes of this section, a digital signature is a type of “electronic signature” as defined in subdivision (i) of Section 1633.2 of the Civil Code. Facsimile signatures or signatures transmitted via pdf document shall be treated as originals for all purposes.

27) ----- OPTIONAL AND ADDITIONAL PARAGRAPHS (See Policy & Procedure, page 5, #D), as specifically required by the department and/or circumstances, may be inserted here. If none, delete this paragraph. -----

IN WITNESS WHEREOF, County and Contractor have executed this agreement on the day and year set forth below.

COUNTY OF TEHAMA

Date: _____

CONTRACTOR NAME (BOLD/CAPITAL LETTERS)

Date: _____

Contractor Number

Vendor Number

Budget Account Number

Exhibit C

INSURANCE REQUIREMENTS FOR CONTRACTOR

Contractor shall procure and maintain, for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work described herein and the results of that work by Contractor, his/her agents, representatives, employees or subcontractors. At a minimum, Contractor shall maintain the insurance coverage, limits of coverage and other insurance requirements as described below.

Commercial General Liability (including operations, products and completed operations)

\$1,000,000 per occurrence for bodily injury, personal injury and property damage. If coverage is subject to an aggregate limit, that aggregate limit will be twice the occurrence limit, or the general aggregate limit shall apply separately to this project/location.

Automobile Liability

Automobile liability insurance is required with minimum limits of \$1,000,000 per accident for bodily injury and property damage, including owned and non-owned and hired automobile coverage, as applicable to the scope of services defined under this agreement.

Workers' Compensation

If Contractor has employees, he/she shall obtain and maintain continuously Workers' Compensation insurance to cover Contractor and Contractor's employees and volunteers, as required by the State of California, as well as Employer's Liability insurance in the minimum amount of \$1,000,000 per accident for bodily injury or disease.

Professional Liability (Contractor/Professional services standard agreement only)

If Contractor is a state-licensed architect, engineer, contractor, counselor, attorney, accountant, medical provider, and/or other professional licensed by the State of California to practice a profession, Contractor shall provide and maintain in full force and effect while providing services pursuant to this contract a professional liability policy (also known as Errors

and Omissions or Malpractice liability insurance) with single limits of liability not less than \$1,000,000 per claim and \$2,000,000 aggregate on a claims made basis. However, if coverage is written on a claims made basis, the policy shall be endorsed to provide coverage for at least three years from termination of agreement.

If Contractor maintains higher limits than the minimums shown above, County shall be entitled to coverage for the higher limits maintained by Contractor.

All such insurance coverage, except professional liability insurance, shall be provided on an "occurrence" basis, rather than a "claims made" basis.

Endorsements: Additional Insureds

The Commercial General Liability and Automobile Liability policies shall include, or be endorsed to include "Tehama County, its elected officials, officers, employees and volunteers" as an additional insured.

The certificate holder shall be "County of Tehama."

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions of \$25,000 or more must be declared to, and approved by, the County. The deductible and/or self-insured retentions will not limit or apply to Contractor's liability to County and will be the sole responsibility of Contractor.

Primary Insurance Coverage

For any claims related to this project, Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

Coverage Cancellation

Each insurance policy required herein shall be endorsed to state that “coverage shall not be reduced or canceled without 30 days’ prior written notice certain to the County.”

Acceptability of Insurers

Contractor’s insurance shall be placed with an insurance carrier holding a current A.M. Best & Company’s rating of not less than A:VII unless otherwise acceptable to the County. The County reserves the right to require rating verification. Contractor shall ensure that the insurance carrier shall be authorized to transact business in the State of California.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance that meets all the requirements stated herein.

Material Breach

If for any reason, Contractor fails to maintain insurance coverage or to provide evidence of renewal, the same shall be deemed a material breach of contract. County, in its sole option, may terminate the contract and obtain damages from Contractor resulting from breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

Policy Obligations

Contractor’s indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Verification of Coverage

Contractor shall furnish County with original certificates and endorsements effecting coverage required herein. All certificates and endorsements shall be received and approved by the County

prior to County signing the agreement and before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.

The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.