

CITY OF MISSION VIEJO
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES



FOR FY 2023-24 AND 2024-25

February 28, 2024

CITY OF MISSION VIEJO
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES
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**CITY OF MISSION VIEJO
REQUEST FOR PROPOSAL**

FOR PROFESSIONAL AUDITING SERVICES
FOR FISCAL YEARS ENDING
JUNE 30, 2024 AND JUNE 30, 2025

I. INTRODUCTION

A. General Information

The City of Mission Viejo is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2024 and June 30, 2025, with the option of auditing its financial statements for each of the two subsequent fiscal years, in addition to performing other financial audits and reviews as specified below. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in the Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States, and the OMB Uniform Grant Guidance/Super Circular Audits of State and Local Governments and Non-Profit Organizations, as well as other applicable laws, regulations and rules.

Per City of Mission Viejo Council Policy 0300-1 “independent auditors shall serve initially for a period of two years. Provided that services are satisfactory to staff and the City Council, at the conclusion of the initial two-year period, staff will be authorized to negotiate an additional two-year term and revised contract, subject to City Council approval. Following the first four-year period of utilizing any audit firm, other audit firms will be given the opportunity to be considered, as well as the current firm. Following eight years of utilizing any audit firm, a mandatory rotation will take place”.

The City paid a total of \$39,476 for the audit for the fiscal year 2022-23. This amount included the audit of the City, Single audit, AQMD audit, and all AU-C Section 260 required communications.

There is no expressed or implied obligation for the City of Mission Viejo to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, three copies of a proposal must be received by Cheryl Dyas, Director of Administrative Services/City Treasurer at 200 Civic Center, Mission Viejo, CA 92691, by **5 pm on March 15, 2024**. The City of Mission Viejo reserves the right to reject any or all proposals submitted.

Proposals submitted will be evaluated by a three-member Selection Committee, consisting of the

Director of Administrative Services, and two Administrative Services Managers of the Administrative Services Department

During the evaluation process, the Selection Committee and the City of Mission Viejo reserve the right, where it may serve the City of Mission Viejo's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City of Mission Viejo or the Selection Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. Such oral presentations, if held, are tentatively scheduled for the week of **March 25-29, 2024**.

The City of Mission Viejo reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Mission Viejo and the firm selected.

It is anticipated the selection of a firm will be completed and approved by City Council by **April 9, 2024**. The selected firm will be notified on **April 11, 2024** and a contract will be executed between both parties by **April 18, 2024**.

B. Term of Engagement

A two-year contract is contemplated, with possible extension for two additional years.

C. Subcontracting

Consultant shall not subcontract any portion of the work required by this engagement without prior written approval of the City. Subcontracts, if any, shall contain provision making them subject to all provisions stipulated in this Agreement

II. NATURE OF SERVICES REQUIRED

A. General

In accordance with the policy of the City Council, the City of Mission Viejo is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2024 and June 30, 2025, with the option to audit the City of Mission Viejo's financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

The City also needs a separate Government Auditing Standards Opinion of its Air Quality Improvement Trust Fund.

In addition, in the past, the City has contracted with the selected auditor to perform other agreed upon procedures (AUP) on various aspects of financial transactions, such as city investments, cash

receipts, payroll, and/or preparation of the State Controller's Report and the Annual Street Report.

Other audits/financial reviews may also be identified during the term of the contract.

B. Scope of Work to be Performed

1. Annual Financial Statement Audit

The City of Mission Viejo desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

The City has elected to report the Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) for the General Fund and Major Special Revenue funds as Required Supplementary Information, rather than as part of the Basic Financial Statements. The auditor is expected to apply to these statements the limited inquiries and analytical review procedures required to the Required Supplementary Information (Management's Discussion and Analysis and Budget and Actual Statements for the General Fund and Major Special Revenue funds).

The auditor is not required to audit the combining and individual fund financial statements and supporting schedules. However, the auditor is to provide an "in-relation-to" opinion on the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements. The auditor is not required to audit the statistical section of the report.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor is not required to audit the schedule of federal financial assistance. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

Management is not aware of any unusual circumstances warranting an extended scope beyond that called for above. However, if in due course of the examination, evidence of such circumstances appear, you shall agree to provide the City with all ascertainable facts relative to such circumstances together with an estimate of additional services required and the additional cost thereof in order that proper contract modifications may be completed before you commence with such extended examination.

The audit firm will perform a single audit on the expenditures of federal grants in accordance with the requirements of the Single Audit Act, as amended, and the Uniform Guidance and render the appropriate audit 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 and the appropriate Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required. The single audit report will be due at the same time as the audit opinion for the City's Annual Financial Statement Audit.

2. Other Audits/Financial Reviews

The City may request the selected auditors to perform other AUP requests.

Each year the City provides the Mayor and the Mayor Pro Tem the opportunity to select from a list of special audit agreed upon procedures, or select other procedures at their discretion, to enhance transparency, accountability and integrity in operational areas with the goal of achieving 100% compliance with City policy and procedures. In past years, the selection has ranged from the completion of 13 procedures to none requested.

Other audits/financial reviews may be identified during the term of the contract.

C. Auditing Standards To Be Followed -- Annual Financial Statement Audit

These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in the Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States, and the Single Audit Act, as amended, and the Uniform Guidance, as well as other applicable laws, regulations and rules.

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A Government Auditing Standards (GAS) Opinion on internal control over financial reporting and on compliance and other matters.

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3. A separate GAS Opinion on the Air Quality Management District Fund.
4. A single audit report on federal awards, including a report on compliance for each major federal program, report on internal control over compliance, and report on schedule of expenditures of federal awards required by the Uniform Guidance.
5. A Statement on Auditing Standards 114 Letter addressed to the City Council.
6. A report on agreed-upon procedures applied to appropriations limit worksheets.
7. A management letter, including appropriate recommendations regarding the City's systems of internal control, accounting procedures and other significant observations.

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Nonreportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls.

The reports on compliance shall include all instances of noncompliance.

Irregularities and illegal acts. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:

Director of Administrative Services
City Attorney
City Manager
City Council

Reporting to the City Council. The City currently does not have an Audit Committee. In the absence of such, auditors shall assure themselves that the City of Mission Viejo City Council is informed of each of the following in accordance AU-C Section 260 regarding significant findings or issues from the audit:

1. Qualitative Aspects of Significant Accounting Practices
2. Difficulties Encountered in Performing the Audit
3. Corrected and Uncorrected Misstatements

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4. Disagreements with Management
5. Management Representations
6. Management Consultation with Other Accountants
7. Other Significant Matters, Findings or Issues

Currently, City Council Mayor Kelley is the designated liaison with the financial auditors. Any issues that may arise during the audit or other times during the year should be forwarded to her attention.

E. Special Considerations

1. It is desired that proposing firms include the options of preparing and editing the City financial statements and/or preparing and editing the notes to the City financial statements in their proposal. The City prepared the financial statements and notes in prior years and plans to continue to do so; however, the City would like the proposal to include a fee for this option.
2. The City of Mission Viejo will send its annual comprehensive financial report (ACFR) to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will not be required to provide special assistance to the City of Mission Viejo to meet the requirements of that program. The City has received thirty-four GFOA awards since incorporation in 1988.
3. The City of Mission Viejo may prepare one or more official statements in connection with the sale of debt securities, which will contain the general purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the financial advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."
4. The City of Mission Viejo receives federal financial assistance every year. Some of the more recent federal assistance has been comprised of Coronavirus State and Local Fiscal Recovery Funds from the U.S. Department of Treasury, Community Block Grants through the Department of Housing and Urban Development, Highway Bridge Program monies through the U.S. Department of Transportation Federal Highway Administration, Department of Homeland Security monies through the Governor's Office of Emergency Services and County of Orange, and Library Services and Technology Act monies from the Institute of Museum and Library Services passed through the State of California.
5. The schedule of federal financial assistance and related auditor's report, as well as the reports on the internal controls and compliance are not to be included in the comprehensive annual financial report, but are to be issued separately.

6. The City of Mission Viejo's Motor Vehicle Registration Fees (AB2766) have historically exceeded \$100,000, thus requiring an audit of the Air Quality Improvement Trust Fund, a Special Revenue Fund. A separate GAS opinion is required.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of four (4) years, unless the firm is notified in writing by the City of Mission Viejo 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:

City of Mission Viejo
The City's Cognizant Agency

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

III. DESCRIPTION OF THE GOVERNMENT

A. Name and Telephone Number of Contact Persons/Organizational Chart/Location of Offices

The auditor's principal contacts with the City of Mission Viejo will be Cheryl Dyas, Director of Administrative Services, and Andrea Bartlett, Administrative Services Manager, who will coordinate the assistance to be provided by the City of Mission Viejo to the auditor.

An organizational chart (Appendix A) and a list of key personnel with the location of their principal offices (Appendix B) are attached.

B. Background Information

The City of Mission Viejo incorporated on March 31, 1988. The City annexed the area known as Aegean Hills in December 1992 and now serves an area of approximately 17 square miles with a population of approximately 91,846. The City of Mission Viejo's fiscal year begins on July 1 and ends on June 30.

The City of Mission Viejo provides the following services to its citizens: public safety, planning, building, code enforcement, engineering, street maintenance, street lighting, parks, recreation, animal services, library, general administrative services, and beginning November 8, 2019, operates a public municipal golf course. Mission Viejo operates under a Council-Manager form of government and is a "contract city".

The City of Mission Viejo has budgeted in FY 2023-24 total personnel costs of approximately \$23

million, covering 146.475 full-time-equivalent employees.

The City of Mission Viejo is organized into fifteen departments. The accounting and financial reporting functions of the City of Mission Viejo are centralized within the Department of Administrative Services.

The Successor Agency to the Community Development Agency of the City of Mission Viejo was established on August 15, 2011 by City Council Resolution 11-55 in accordance with the requirements of Assembly Bill 1X 26. The Successor Agency activities currently consist of bond obligation payments for the 1999 Series A and Series B bonds related bond expenses and administration expenses.

The Mission Viejo Community Development Financing Authority was formed as a joint powers authority on June 2, 1997 by the City and the former Community Development Agency of the City of Mission Viejo. Its primary purpose is to serve as the issuer of bonds that are secured by multiple revenue sources. The Authority was the issuer of the 1999 Series A Variable Rate Demand Revenue Bonds, the 1999 Series B Subordinate Lien Taxable Revenue Bonds, and the 2016 Lease Revenue Refunding Bonds. The previously issued 1999 Series C Revenue Bonds, the 2001 Series A Lease Revenue Bonds and the 2009 Series A Lease Revenue Refunding Bonds have since been defeased. In December of 2021, the MVCDDFA issued Series A Taxable Lease Revenue Bonds and Series B Tax-Exempt Lease Revenue Bonds to finance the costs of acquisition of real property located at 25282 Margarite Parkway in Mission Viejo. The activities of the Authority are recorded in debt service funds.

The Mission Viejo Housing Authority was formed on February 21, 2011. The primary mission of the Housing Authority is to facilitate development and rehabilitation of affordable housing and programs and services that support the City's housing goals. This entity is also the Successor to the former redevelopment agency Low and Moderate Income Housing Fund. The activities of the Authority are recorded in a special revenue fund.

More detailed information on the government and its finances can be found in the City's FY 2023-25 Adopted Budget document and the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The budget and the ACFR are available on the Finance page of the City's website at www.cityofmissionviejo.org.

C. Fund Structure

The City of Mission Viejo reporting entity uses the following fund types and account groups for its internal accounting (numbers in parentheses indicate the number of funds reported in the 6/30/23 ACFR):

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<u>Fund Type</u>	<u>Number of Individual Funds</u>	<u>Number With Legally Adopted Annual Budgets</u>
General fund	3 (1)	1 (1)
Special revenue funds	22 (12)	22 (12)
Debt service funds	6 (4)	6 (4)
Capital projects funds	11 (2)	11 (2)
Permanent Fund	0	0
Enterprise funds	4 (3)	4
Internal service funds	0	0
Private Purpose Trust Funds	1 (1)	0
Investment Trust Funds	0	0
Pension trust funds	0	0
Agency funds	0	0

The City had a total of six major funds for Fiscal Year Ending June 30, 2023, including the General Fund, Developer Fees Fund, Grants Fund, Capital Projects Fund, Housing Authority Fund and American Rescue Plan Act Fund. The City’s Section 115 Pension Trust Fund is combined with the General Fund for financial reporting purposes.

D. Budgetary Basis of Accounting

The City of Mission Viejo prepares a biennial budget on a basis consistent with generally accepted accounting principles. Budgets for the Housing Authority Special Revenue Fund and the Financing Authority Debt Service Funds are adopted annually.

E. Federal Financial Assistance

During the fiscal years to be audited, the City of Mission Viejo received or is expecting to receive the following financial assistance:

- CDFA #21.027 Coronavirus State and Local Fiscal Recovery Funds
- CFDA #20.205 Highway Planning and Construction Highway Bridge Program
- CFDA #14.218 Community Development Block Grant
- CFDA #97.042 Emergency Management Performance Grants
- CFDA #97.039 FEMA/Homeland Security-Hazard Mitigation Grant Program
- CFDA #45.310 Institute of Museum and Library Services

F. Pension and OPEB Plans

The City contributes to the California Public Employees’ Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California.

The City offers a 457 Deferred Compensation Plan to all regular employees and the City contributes to a 401(a) Deferred Compensation Plan for contributing employees.

The City also provides a defined contribution plan for part-time, temporary and seasonal employees who work less than 1,000 hours per fiscal year in lieu of Social Security. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

For employees first eligible for City health benefits prior to January 1, 2007, the City provides certain eligible retired City employees and their spouses a monthly contribution towards medical, dental and vision premium costs through the Retiree Insurance Program (RIP), a defined benefit plan. The City participates in the California Employer's Retiree Benefit Trust Program (CERBT) Prefunding Plan administered by PERS.

For employees first eligible for City health benefits on or after January 1, 2007, the City offers a defined contribution plan administered through ICMA entitled the Supplemental Health Account for Retired Employees (SHARE). This plan is intended to assist employees in saving for post-employment health insurance costs.

G. Component Units

The management of the City of Mission Viejo identified the following component units for inclusion in the City of Mission Viejo's financial statements:

Mission Viejo Community Development Financing Authority
Mission Viejo Housing Authority

These component units are to be audited as part of the audit of the City of Mission Viejo's financial statements.

H. Joint Ventures

The City of Mission Viejo participates in the Orange County Fire Authority joint venture.

I. Magnitude of Finance Operations

The Administrative Services Department has been headed by Cheryl Dyas, Director of Administrative Services/City Treasurer since June 2011. The department is comprised of administration, finance, human resources, and risk management. The finance division consists of 15.22 full-time-equivalent employee positions. The principal functions performed and the number of employees assigned to each are as follows:

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<u>Function</u>	<u>Number of Employees</u>
Accounting	5.57
Budget	1.05
Purchasing	1.28
Treasury	<u>1.05</u>
	8.95
Other department functions are as follows:	
Administration	2.22
Human Resources	2.35
Risk Management	1.65
Interdepartmental	<u>.05</u>
	<u>6.27</u>
Total Department	<u>15.22</u>

J. Computer Systems

The City implemented Tyler Technologies MUNIS on October 1, 2014, and currently uses the following modules: General Ledger, Accounts Payable, Bank Reconciliation, Payroll, Human Resources, Accounts Receivable/Cash Receipts, Cashiering, Purchasing, Encumbrance, Capital Assets and Budget.

Finance staff has various access to MUNIS depending on duties. Some Department Administrative staff have access to requisition data entry, accounts payable data entry and budget data entry. Other staff throughout the City have limited access to MUNIS for reporting/inquiry purposes. Animal licensing is processed using Chameleon. Recreation activities and room rentals are processed using PerfectMind. Library activity is processed using Symphony. Building and planning and some public works activity is processed using EnerGov.

K. Internal Audit Function

The City of Mission Viejo does not maintain an internal audit function.

L. Investments

In 1997 the City of Mission Viejo established an Investment Advisory Commission, which meets quarterly. The City follows all State guidelines and laws pertaining to investments. The City issues monthly Treasurer’s Reports for each component unit, as well as an annual Treasurer’s Report for each of these entities. The City contracts with an outside investment manager for a portion of its’ portfolio. The City’s investment policies are available on the Finance page of the City’s website at www.cityofmissionviejo.org.

M. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters should contact Andrea Bartlett at 200 Civic Center, Mission Viejo, CA 92691, (949) 470-3082.

The City of Mission Viejo will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The City places a high level of importance on adhering to the proposed calendar and requires advance notification of any anticipated problem in meeting the agreed upon schedule.

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	February 28, 2024
Due date for proposals	March 15, 2024
Interviews of finalists (tentative)	March 25-29, 2024
Selection by City Council	April 9, 2024

B. Notification and Contract Dates

Selected firm notified	April 11, 2024
Contract date	April 18, 2024

C. Date Audits May Commence

Work on audits contemplated under this agreement may commence as early as May 6, 2024.

For the annual financial audit, City finance staff will have all records ready for the year-end field work portion of the audit and all management personnel available to meet with the firm's personnel by September 20, 2024.

D. Schedule for the 2023-24 Fiscal Year Annual Financial Audit

(A similar time schedule will be developed for audits of FY 2024-25, and future fiscal years if the City of Mission Viejo exercises its option for additional audits).

Each of the following should be completed by the auditor no later than the dates indicated.

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1. Interim Work

The auditor shall complete interim work by June 30, 2023. It is expected that an exit conference will be held at the end of interim providing audit status and any issues or findings.

2. Detailed Audit Plan

The auditor shall provide City of Mission Viejo by August 12, 2024 both a detailed audit plan and a list of all schedules to be prepared by the City of Mission Viejo.

3. Fieldwork

The auditor shall complete all fieldwork by October 1, 2024. It is expected that an exit conference will be held at the end of fieldwork providing audit status and any issues or findings.

4. Date Draft and Final Report are due for Annual Financial Audit

In the case that the City prepares the financial statements in-house, it is desired that the auditor reviews the financial statements, notes and all required supplementary schedules, and provide a draft auditor's report(s) by November 15, 2024.

In the event that the auditor is contracted to prepare the financial statements, the first draft of the statements, notes and all required supplementary schedules will be due 2 weeks from the last day of fieldwork. Final report to be completed by November 15, 2024.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City from drafts supplied by the auditor.

B. Information Technology Assistance

Information Technology personnel will be available to provide systems documentation and explanations. The auditor will not be provided computer time or the use of the City of Mission Viejo's computer hardware and software, except for access to the City's financial accounting software (MUNIS) to view back-up documentation.(Appendix H)

C. Statements and Schedules to be Prepared by the Staff of the City of Mission Viejo

At a minimum the staff of City of Mission Viejo will prepare the following statements and

schedules:

Bank and revenue confirmations (from drafts supplied by auditor)

Cash lead schedule

Schedules for all balance sheet accounts with material balances, depicting composition of ending balances at year-end

Capital asset schedules

Long-term liabilities additions and deletions schedule

Due to/from, interfund transfers

Encumbrance schedules as of year-end

Year-end bank reconciliations

Reconciliation of beginning fund balance

GASB 68 and 75 journal entries

Appropriations limit calculation schedules

Summary of fiscal agent activity for year

The Auditor is expected to provide a list of schedules required for the audit no later than two weeks prior to the scheduled fieldwork for the interim audit and 4 weeks prior to the year-end audit fieldwork.

D. Work Area, Telephones, Photocopying and Fax Machines

The City of Mission Viejo will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to one telephone and photocopying facilities subject to the following restrictions: toll calls should not be charged to the City.

E. Report Preparation

For the annual financial audit, the City will be responsible for report preparation of the Financial Statements. The auditor shall provide review and technical expertise of the statements as required. Printing shall be the responsibility of the City.

For other audits included in this contract, report preparation, editing and printing shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Cheryl Dyas, Director of Administrative Services -or-
Andrea Bartlett, Administrative Services Manager
200 Civic Center, Mission Viejo, CA 92691
(949) 470-3082

CONTACT WITH PERSONNEL OF THE CITY OTHER THAN THE ABOVE REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposals

The following material is required to be received by March 15, 2024, for a proposing firm to be considered:

a. A master copy (so marked) of a Technical Proposal and three (3) copies to include the following:

i. Title Page

Title page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

Clearly identify the material by section and page number.

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for sixty (60) days.

Please also give the names of the persons who will be authorized to make representations for the proposer, their titles, addresses and

telephone numbers.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

v. Executed copies of Proposer Guarantees and Proposer Warranties, attached to this request for proposal (Appendix C and Appendix D)

b. The proposer shall submit an original and three (3) copies of a dollar cost bid in a separate sealed envelope marked as follows:

SEALED DOLLAR COST BID
PROPOSAL
FOR
CITY OF MISSION VIEJO
FOR
PROFESSIONAL AUDITING SERVICES
March 15, 2024

c. Proposers should send the completed proposal consisting of the two separate envelopes to the following address:

Director of Administrative Services
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of Mission Viejo in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The Technical Proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in the sealed dollar cost bid). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals.

While additional data may be presented, the following subjects, items Nos. 2 through 11, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the City of Mission Viejo as defined by generally accepted auditing standards/the U.S. General Accounting Office's Government Auditing Standards. The firm also should provide an affirmative statement that it is independent of all of the component units of the City of Mission Viejo as defined by those same standards.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the City of Mission Viejo or any of its component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City of Mission Viejo written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in California.

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years

with state regulatory bodies or professional organizations.

The range of activities performed by the local office should be described, e.g., audit, accounting, tax service and/or management consulting services.

The firm's participation in the "peer review" program should be described, along with the date and extent of the local office's last participation.

Please include your firm's qualifications and experience in performing "agreed upon procedure" audits for various financial transactions, finance functions, preparation of the State Controller's Report, and the Annual Street Report.

5. Partner, Supervisory and Staff Qualifications and Experience

Identify the partners, managers and supervisors who will work on the audit, including staff from other than the local office. Include a resume for each supervisory person to be assigned to the audit. The resumes may be included as an appendix.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other field supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of Mission Viejo. However, in either case, the City of Mission Viejo retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Prior Engagements with the City of Mission Viejo

List separately all engagements within the last five years, ranked on the basis of total staff hours, for the City of Mission Viejo by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most

significant engagements performed in the last five years that are similar to the engagement described in this request for proposal.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

Criteria to determine similarity should include:

- a. Municipalities participating in the GFOA's Certificate of Achievement for Excellence in Financial ACFR award program.
- b. Cities with Successor Agencies and/or Financing Authorities.
- c. Federal and State grant programs, including Single Audits and AQMD audits.
- d. Agreed upon procedures related to various financial transactions.
- e. Entities utilizing the MUNIS accounting software.

8. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as City of Mission Viejo's budget, ACFR, and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL

- c. Sample size and the extent to which statistical sampling is to be used in the engagement
- d. Extent of use of computer software in the engagement

- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of the City of Mission Viejo's internal control structure
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance
- i. Types of assistance expected from City staff
- j. Anticipated completion date of audit field work, assuming a start date no later than September 20, 2024
- k. Anticipated completion date of financial statements and notes review, audit reports, and recommendations to management

9. GASB pronouncements and AICPA SAS's

The proposal should discuss any recent GASB pronouncements and AICPA SAS's that could affect the audit along with the proposed approach for implementing.

10. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of Mission Viejo.

11. Report Format

The proposal should include sample formats for required reports.

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL

C. Sealed Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the annual financial audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The bid should separately identify the total cost for each of the following: City of Mission Viejo annual financial audit; Single audit; AQMD audit; Preparation of City Financial Statements (if requested); Preparation of Notes to the City Financial Statements (if requested). The bid should also separate the cost for interim work (prior to fiscal year end) from the year-end audit work for each of the above.

The City of Mission Viejo will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The first page of the sealed dollar cost bid should include the following information:

- a. Name of Firm
 - b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the City of Mission Viejo.
 - c. Total All-Inclusive Maximum Prices for the 2023-24 and 2024-25 annual financial audit engagements, as indicated in 1. above.
2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The second page of the sealed dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix E), that supports the total all-inclusive maximum price. The cost of special services described in Section II E of this request for proposal should be disclosed as separate components of the total all-inclusive maximum price.

3. Out-of-pocket Expenses Included in the Total All-inclusive Maximum Price and Reimbursement Rates

All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the sealed dollar cost bid in the format provided in the attachment (Appendix E). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

4. Rates for Additional Professional Services

The City anticipates other audits and financial reviews to be performed in addition to the annual financial audit. In addition, if the City of Mission Viejo requests the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific

recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between City of Mission Viejo and the firm. Any such additional work agreed to between City of Mission Viejo and the firm shall be performed at rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

5. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month. No more than 90% of the total fee may be billed prior to presentation of final audit reports and financial statements. Costs must be detailed on the invoices as specified in item 1. above.

VII. EVALUATION PROCEDURES

A. Selection Committee

Proposals submitted will be evaluated by a three-member Selection Committee consisting of the Director of Administrative Services/City Treasurer, and two Administrative Services Managers of the Administrative Services Department.

B. Review of Proposals

The Selection Committee will use a point formula during the review process to score proposals. Each member of the Selection Committee will first score each technical proposal by each of the criteria described in Section VII C below. The full Selection Committee will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite technical score for each firm. At this point, firms with an unacceptably low technical score will be eliminated from further consideration.

After the composite technical score for each firm has been established, the sealed dollar cost bid will be opened and additional points will be added to the technical score based on the price bid. The maximum score for price will be assigned to the firm offering the lowest total all-inclusive maximum price. Appropriate fractional scores will be assigned to other proposers, with the highest proposer receiving a zero bid score.

The City of Mission Viejo reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

C. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and

price. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Elements
 - a. The audit firm is independent and licensed to practice in California
 - b. The firm has no conflict of interest with regard to any other work performed by the firm for the City of Mission Viejo
 - c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal
 - d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
2. Technical Quality: (Maximum Points - 80)
 - a. Expertise and Experience
 - (1) The firm's past experience and performance on comparable government engagements, including Single Audit, redevelopment agencies, financing authorities, and special audits/financial reviews.
 - (2) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
 - b. Audit Approach
 - (1) Adequacy of proposed staffing plan for various segments of the engagement.
 - (2) Adequacy of sampling techniques.
 - (3) Adequacy of analytical procedures.
 - (4) Types of assistance expected from City staff.
 - (5) Anticipated completion date of field work, financial statements, audit reports, and recommendations to management.
 - c. Knowledge of GASB Pronouncements and AICPA Statements of Auditing Standards.
3. Price: (Maximum Points - 20)

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN
AUDIT FIRM

D. Oral Presentations

During the evaluation process, the Selection Committee may, at its discretion, request any number of firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations. Partners, managers and supervisory staff (down to the auditor in charge of field work) to be assigned to the audit must attend the oral presentation.

E. Final Selection

The City Council will select a firm following the recommendation of the Selection Committee.

It is anticipated that a firm will be selected by the City Council on April 9, 2024. Following notification of the firm selected, it is expected a contract will be executed between both parties by April 18, 2024.

F. Right to Reject Proposals

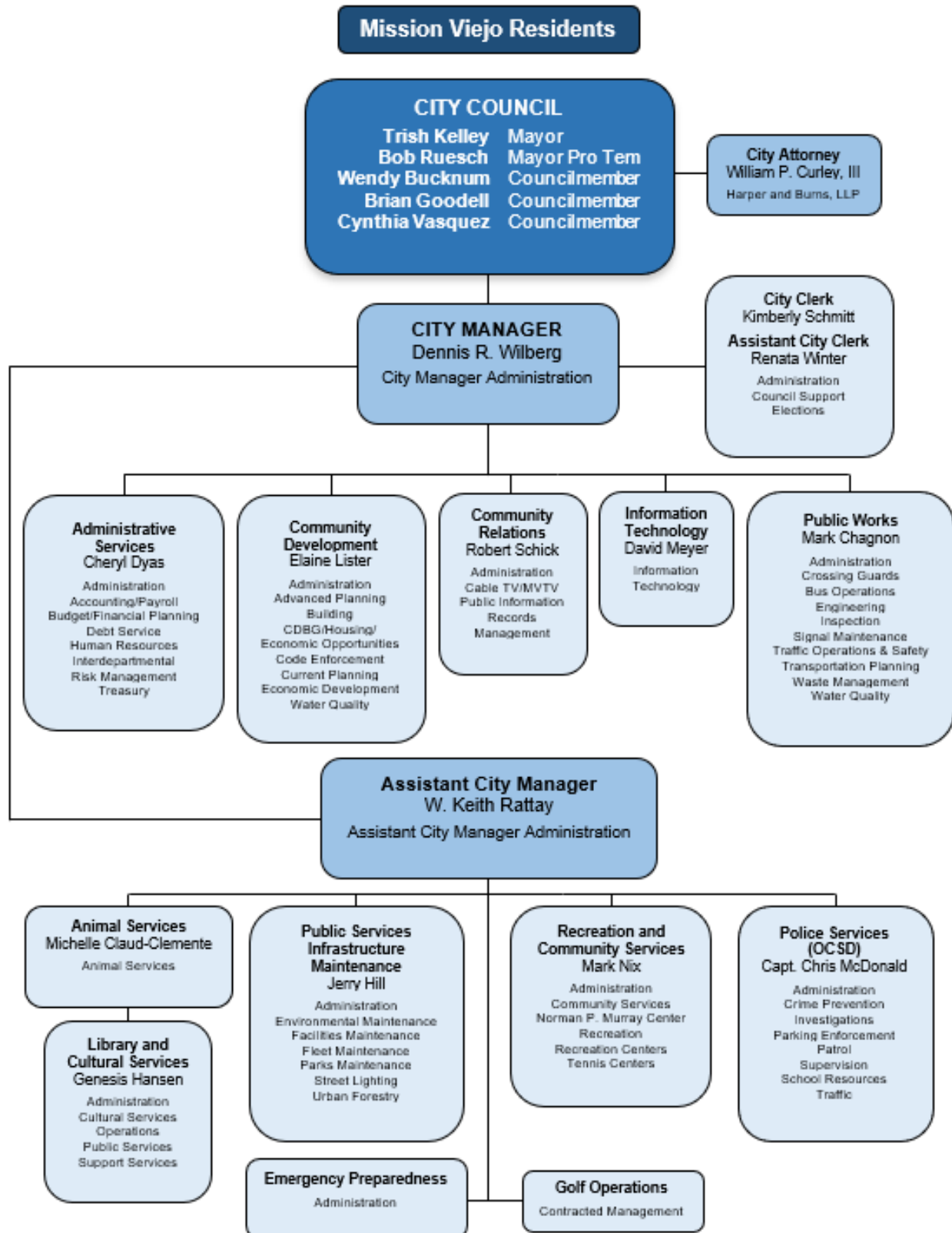
Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Mission Viejo and the firm selected.

The City of Mission Viejo reserves the right without prejudice to reject any or all proposals.

APPENDICES

- A. Organizational Chart
- B. List of Key Officials, Office Locations and Telephone Numbers
- C. Proposer Guarantees
- D. Proposer Warranties
- E. Schedule of Professional Fees and Expenses to Support the Total All-inclusive Maximum Price for the Annual Financial Audit (Part 1 and Part 2)
- F. Schedule of Professional Fees for Other Services
- G. Standard Contract Form for Audit Services
- H. Technology Use Policy

APPENDIX A



APPENDIX B

LIST OF KEY PERSONNEL, OFFICE LOCATIONS AND PHONE NUMBER

<u>Name and Title</u>	<u>Location</u>	<u>Phone</u>
Dennis R. Wilberg, City Manager	City Hall	(949) 470-3051
Keith Rattay, Assistant City Manager/Golf Operations	City Hall	(949) 470-3018
William P. Curley, III, City Attorney	Harper & Burns LLP	(714) 771-7728
David Meyer, Director of Information Technology	City Hall	(949) 470-3081
Mark Chagnon, Director of Public Works	City Hall	(949) 470-3056
Mark Nix, Director of Recreation and Community Services	City Hall	(949) 470-3016
Cheryl Dyas, Director of Administrative Services	City Hall	(949) 470-3082
Robert Schick, Director of Community Relations	City Hall	(949) 470-3033
Michelle Claud-Clemente, Director of Animal Services	MV Animal Services Ctr	(949) 470-3045
Jerry Hill, Director of Public Services	City Hall	(949) 470-3064
Kimberly Schmitt, City Clerk	City Hall	(949) 470-3031
Genesis Hanson, Director of Library & Cultural Services	Library	(949) 470-3076
Rich Schlesinger, Deputy Director of Public Works/City Engineer	City Hall	(949) 470-3079
Elaine Lister, Director of Community Development	City Hall	(949) 470-3053
Andrea Bartlett, Administrative Services Manager (Accounting, Payroll and Accounts Payable)	City Hall	(949) 470-8410
Monique Goetz Human Resources Manager	City Hall	(949) 470-8416
Susan Knudson, Administrative Services Manager (Budget, Purchasing and Treasury)	City Hall	(949) 470-3096

APPENDIX C

PROPOSER GUARANTEES

- I. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section II, Nature of Services Required.

- II. The proposer agrees to be bound by the contractual requirements delineated in Appendix G.

Signature of Official: _____
Name (typed): _____
Title: _____
Firm: _____
Date: _____

APPENDIX D

PROPOSER WARRANTIES

- A. Proposer warrants that it is willing and able to comply with State of California laws with respect to foreign (non-state of California) corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the City of Mission Viejo.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____
Name (typed): _____
Title: _____
Firm: _____
Date: _____

APPENDIX E
Part 1

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE [YEAR] FINANCIAL STATEMENTS:
COMBINING SCHEDULE - ALL SERVICES
OUTLINED IN RFP SECTION VI.C.1.

<u>Nature of Service To Be Provided</u>	<u>Total Price</u>	<u>Schedule</u>
City of Mission Viejo annual financial audit	_____	_____
Single audit	_____	_____
AQMD audit	_____	_____
Preparation of City Financial Statements	_____	_____
Preparation of Notes to the City Financial Statements	_____	_____

EACH SERVICE DESCRIBED IN RFP SECTION VI.C.1. SHOULD BE SUPPORTED BY AN INDIVIDUAL SCHEDULE IN THE FORMAT PROVIDED ON PART 2 OF THIS APPENDIX.

APPENDIX E
Part 2

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE [YEAR] FINANCIAL STATEMENTS

Please provide a separate schedule for each of the seven portions of the overall annual financial audit, as described in Section VI.C.1.

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal	_____	_____	_____	_____
Total for services Outlined in Section VI.C.1. of the RFP (Detail on subsequent pages of Appendix E)	_____	_____	_____	_____
Out-of-pocket expenses:				
Meals and lodging				
Transportation	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____

APPENDIX E
Part 2 (Continued)

Total all-inclusive maximum price for [YEAR] audit
Breakdown:

Work to be performed prior to June 30	_____
Work to be performed after June 30	_____
Total	_____

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

Anticipated Percent Modification for FY2025-26, if Extended

Anticipated Percent Modification for FY 2026-27, if Extended

APPENDIX F

SCHEDULE OF PROFESSIONAL FEES
FOR [NAME OF SERVICE]

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

APPENDIX G

CITY OF MISSION VIEJO

AGREEMENT WITH FOR SERVICES OVER \$30,000 *(Insurance Required)*

THIS AGREEMENT is made and effective as of _____, 2_____, between the **City of Mission Viejo**, a California general law city and municipal corporation ("City") and _____ ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM.** This Agreement shall commence on _____, 2_____, and shall remain and continue in effect until tasks described herein are completed, but in no event later than _____, 2_____, unless sooner terminated pursuant to the provisions of this Agreement. Notwithstanding this limit on term, some duties and obligations may survive the termination, lapse, or completion of this Agreement. This contract may be renewed by mutual agreement of both parties for two (2) 1-year terms. These renewals are contingent upon satisfactory work being performed by Consultant, as determined by City.

2. **SERVICES.** Consultant shall perform the tasks described and set forth in **Exhibit A**, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in **Exhibit A**.

3. **PERFORMANCE.** Consultant shall at all times faithfully, competently, and to the best of their ability, experience, and talent, perform all tasks described herein. Consultant represents to the City that it has the qualifications and equipment/technology necessary to competently and reasonably perform the tasks required by this Agreement. Consultant shall employ, at a minimum, generally accepted standards, practices, and equipment utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **PAYMENT.**

a. The City agrees to pay Consultant monthly in arrears, in accordance with the payment rates and terms and the schedule of payment as set forth in **Exhibit B**, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed _____ **Dollars** (\$ _____) for the total term of the Agreement unless additional payment is approved as provided in this Agreement. Any terms or conditions set forth in **Exhibit A or Exhibit B**, which do not describe the work to be performed, the payment rates and terms, or the payment schedule have not been agreed to by the City and shall not be deemed a part of this Agreement.

b. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Council or, if pursuant to its authority, the City Manager, or their designee. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager or the City's representative and Consultant at the time City's written authorization is given to Consultant for the performance of said services. The City

**APPENDIX G
(Continued)**

Manager may approve additional work not to exceed 15% of the contract amount approved by City Council or \$30,000, whichever is less. Any additional work in excess of this amount shall be approved by the City Council.

c. Consultant shall submit reasonably detailed invoices monthly for actual services performed and, as applicable, equipment and materials acquired. Invoices shall be submitted on or about the first business day of each month, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within 30 days of receipt of an invoice of any disputed fees set forth on the invoice.

d. Notwithstanding the above provisions, Consultant shall not be paid for any work performed until it has submitted to the City a fully completed and executed Internal Revenue Service Form W-9.

5. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE.

a. The City may at any time, with or without cause, in its sole discretion, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice of the decision. City shall not be obligated to explain its reasons for termination. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.

b. In the event this Agreement is suspended or terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of suspension or termination, provided that the work performed is of value to the City and consistent with the Agreement. Upon suspension or termination of the Agreement pursuant to this Section, the Consultant will, as a precondition to being compensated, submit an invoice to the City consistent with Section 4.

6. DEFAULT OF CONSULTANT.

a. The Consultant's failure to comply with the provisions of this Agreement shall constitute a material default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

b. If the City Manager or their delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall serve the Consultant with written notice of the default. The Consultant shall have ten (10) calendar days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to

APPENDIX G
(Continued)

any other remedy to which it may be entitled at law, in equity, or under this Agreement.

7. OWNERSHIP OF DOCUMENTS.

a. Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records, shall give City the right to examine and audit said books and records, shall permit City to make transcripts therefrom as necessary, and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

b. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, video and sound recordings, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

c. With respect to the design of public improvements, the Consultant shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Consultant.

d. Notwithstanding anything to the contrary, Consultant, including all persons, firms, or entities with which it may interact, shall provide City all records pursuant to the California Public Records Act at City's request. This duty and obligation shall survive the lapse, termination, or completion of this Agreement. No cost shall be charged to the City related to compliance with this provision.

8. INDEMNIFICATION. The Consultant agrees to defend, indemnify, protect and hold harmless the City, its officers, officials, consultants, employees, attorneys, agents, and volunteers from and against any and all claims, demands, losses, defense costs or expenses, or liability of any kind or nature which the City, its officers, officials, consultants, employees, attorneys, agents, and volunteers may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of Consultant's negligent or wrongful acts or omissions in performing or failing to perform under the terms of this Agreement, excepting only liability arising out of the negligence of the City. This section shall, without limitation, survive the termination, lapse, or completion of this Agreement.

APPENDIX G
(Continued)

9. INSURANCE REQUIREMENTS. Consultant 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 hereunder by the Consultant, its agents, representatives, or employees.

Consultant agrees to provide insurance in accordance with the requirements set forth in Exhibit C. If Consultant uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Consultant agrees to amend, supplement, or endorse the existing coverage to do so. This duty or obligation shall survive the lapse, termination, or completion of this Agreement.

10. INDEPENDENT CONTRACTOR.

a. Consultant is and shall at all times remain as to the City a wholly independent contractor having only the contractual duties and obligations agreed upon as memorialized in this Agreement. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, officials, employees, agents, or volunteers shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatsoever against or for City, or bind City in any manner, whether in law or equity.

b. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay, nor be deemed to have paid or delivered salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

11. LEGAL RESPONSIBILITIES. The Consultant shall keep itself informed of all County, State, and Federal laws and regulations, which in any manner affect its requirements under this Agreement, and those employed by it or in any way affect the performance of its service, duties, and obligations pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, its officers, officials, employees, attorneys, agents, and volunteers shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section. This section shall survive, without limitation, the termination, lapse or completion of this Agreement.

12. RELEASE OF INFORMATION.

a. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subcontractors shall not, without written authorization from the City or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court

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(Continued)

order shall not be considered "voluntary" provided Consultant gives City prior notice of such court order or subpoena.

b. Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order, or subpoena from any person regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply the right of or require City to control, direct, or rewrite said response.

13. NOTICES. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the Party as set forth below or at any other address as that Party may later designate by subsequent written notice:

To City: City of Mission Viejo
 200 Civic Center
 Mission Viejo, CA 92691
 Attention: City Manager

To Consultant:

14. ASSIGNMENT. The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City, which City may grant or withhold in its sole and absolute discretion, with no obligation to disclose the basis for its decision to any person, firm, entity, or Party. Because of the personal nature of the services to be rendered pursuant to this Agreement, only _____ shall perform the services described in this Agreement. _____ may use assistants, under their direct supervision, to perform some of the services under this Agreement. Consultant shall provide City fourteen (14) days' notice prior to the departure of _____ from Consultant's employ. Should they leave Consultant's employ, the City shall have the option to immediately terminate this Agreement within three (3) days of the close of said notice period. Upon termination of this Agreement, Consultant's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the City and the Consultant.

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(Continued)

15. **LICENSES.** At all times during the term of this Agreement and prior to commencement of any work under this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

16. **GOVERNING LAW.** The City and Consultant agree that the laws of the State of California, or, as necessary, the laws of the United States Federal government, shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.

17. **LITIGATION.** Any litigation concerning this Agreement commenced by a Party or any person, firm or entity claiming under Consultant shall be filed and have venue in the municipal, superior, or federal district court with geographic jurisdiction over the City of Mission Viejo.

18. **ENTIRE AGREEMENT.** This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, direct or implied, are merged into this Agreement and shall be of no further force or effect. Each Party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material. Each Party has had the opportunity to have this Agreement reviewed by independent legal counsel of its own selection and is not relying on any representations, opinions, or advice of the other Party.

19. **AUTHORITY TO EXECUTE THIS AGREEMENT.** The person or persons executing this Agreement on behalf of Consultant warrant and represent that they have the authority to execute this Agreement on behalf of the Consultant and have the authority to bind Consultant to the performance of its obligations hereunder. Consultant agrees that the person executing this Agreement is an authorized agent of Consultant with the power to bind Consultant to this Agreement.

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(Continued)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CONSULTANT CITY OF MISSION VIEJO

_____ Vendor Name	Date	_____ Dennis Wilberg	Date
_____ Vendor Title		City Manager	

Attest:

_____ Vendor Name	Date	_____ Kimberly Schmitt	Date
_____ Vendor Title		City Clerk	

[Two signatures of corporate officers required]

Approved As to Form:

_____ William P. Curley, III	Date
City Attorney	

Insurance Review:

_____ Heather Campbell	Date
Risk Management Administrator	

**APPENDIX G
(Continued)**

EXHIBIT A

TASKS TO BE PERFORMED

APPENDIX G
(Continued)

EXHIBIT B

PAYMENT SCHEDULE

**APPENDIX G
(Continued)**

EXHIBIT C

INSURANCE REQUIREMENTS

The following coverages will be provided by Consultant and maintained on behalf of the City and in accordance with the requirements set forth herein. Consultant agrees to submit insurance coverages described herein before any work is performed pursuant to this Agreement.

General Liability Insurance. Consultant shall maintain a policy of general liability insurance against any and all claims arising out of or in connection with the work performed under this Agreement. Coverage provided shall be at least as broad as ISO form CG 00 01 in an amount not less than one million dollars (**\$1,000,000.00**) per occurrence, two million dollars (**\$2,000,000.00**) general aggregate, for bodily injury, personal injury, and property damage. The policy shall be endorsed to reflect that the per occurrence and aggregate coverage shall apply on a per PROJECT basis; claims on other projects shall not erode the coverage available to the City. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted. This policy shall name City, its officers, officials, employees, agents, and volunteers as additional insureds. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured.

Automobile Liability Insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for “Any Auto, Symbol 1” or its equivalent “any owned, hired, non-owned, or rented vehicles”, in an amount not less than one million dollars (**\$1,000,000.00**) combined single limit for each accident. If the Consultant does not own any company vehicles, the requirement may be satisfied by providing a Personal Automobile Liability policy for the Consultant’s vehicle. The Consultant may use an umbrella policy or a non-owned auto endorsement to the Commercial General Liability policy to meet the limits if the Consultant’s auto insurance does not offer the \$1,000,000 combined single limit. This coverage is only required when the Consultant drives on behalf of the City to perform the activities arising out of or in connection with Work to be performed in this agreement.

Workers' Compensation/Employer's Liability. Consultant shall maintain workers’ compensation insurance with statutory limits and employer’s liability insurance in an amount not less than one million dollars (**\$1,000,000.00**) per accident for bodily injury or disease for Consultant’s employees in accordance with the laws of the State of California, Section 3700 of the Labor Code. Consultant shall furnish to City a waiver of subrogation endorsement in favor of City, its officers, agents, employees, and volunteers. If Consultant is a sole ownership/ proprietorship and does not have any employees, Consultant shall certify such facts to the City by completing a “Declaration of Non-Employer Status” declaring such and worker’s compensation coverage shall not be required.

Professional Liability Insurance/Errors and Omissions. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the

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minimum amount of one million dollars (**\$1,000,000**) per claim and in the aggregate. If coverage is provided under a claims-made policy, any policy inception date, continuity date, or retroactive date must be before the effective date of the agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this Agreement.

Cyber security and privacy liability. Consultant shall procure and maintain insurance with limits of **\$1,000,000** per occurrence/loss, **\$2,000,000** general aggregate, which shall include the following coverage:

- a. Liability arising from the theft, dissemination and/or use of confidential or personally identifiable information; including but not limited to personally identifiable information (PII), protected health information (PHI), security codes, access codes, passwords, etc.
- b. Network security liability arising from the unauthorized use of, access to, or tampering with computer systems, including hacker or denial of service attacks.
- c. Liability arising from introducing a computer virus into or otherwise causing damage to vendor (first-party) or customer's (third party) computer, computer system, network, or similarly related property and the data, software, and programs.
- d. Liability arising from professional misconduct or lack of the requisite skill required for performing services defined in the contract or agreement.
- e. Costs associated with restoring, updating, or replacing data.
- f. Costs associated with a privacy breach, including notification costs, customer support, forensics, crises management, public relations consulting, legal services of a privacy attorney, credit monitoring, and identity fraud resolution services for affected individuals.

If coverage is maintained on a claims-made basis, consultant shall maintain such coverage for an additional three (3) years following termination of the contract.

Umbrella or excess liability insurance. [If required to meet higher limits]. Consultant shall maintain an umbrella liability insurance policy with limits that will provide bodily injury, personal injury, and property damage liability coverage, including commercial general liability, automobile liability, professional liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason, other than bankruptcy or insolvency of said primary insurer;
- "Pay on behalf of" wording as opposed to "reimbursement";
- Concurrency of effective dates with primary policies.

APPENDIX G
(Continued)

Should Consultant maintain an excess liability policy, such policy shall be excess over commercial general liability, automobile liability, professional liability, and employer's liability policies. Such policy or policies shall include wording that the excess liability policy follows the terms and conditions of the underlying policies.

Consultant and City further agree as follows:

1. This Exhibit supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.
2. Nothing contained in this Exhibit is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Exhibit are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.
3. All insurance coverage and limits provided pursuant to this agreement shall apply to the full extent of the policies involved, available, or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
4. Requirements of specific coverage features or limits contained herein are not intended as a limitation on coverage, limits on other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver or limitation of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.
5. For purposes of insurance coverage only, this Agreement will be deemed enforceable immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards the performance of this Agreement.
6. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City and shall require similar written express waivers and insurance clauses from each of its subcontractors/ subconsultants.
7. Unless otherwise approved by City, Consultant's insurance shall be written by insurers authorized to do business in the State of California and which hold a minimum "Best's" Insurance Guide rating of "A:VII."

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8. In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.
9. Consultant shall provide certificates of insurance and required endorsements to City as evidence of the insurance coverage required herein. The insurance certificate and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to require complete, certified copies of all required insurance policies, at any time. Insurance certificates and endorsements must be approved by City's Risk Management prior to commencement of performance. Current certification of insurance shall be kept on file with City for the contract period and any additional length of time required thereafter.
10. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages; failure to do so shall be deemed a material breach of this Agreement and may subject this Agreement to termination or the City unilaterally replacing the policy(s) at Consultant's sole expense, without prior notice.
11. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible, or require proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention through confirmation from the underwriter.
12. Consultant acknowledges and agrees that any actual or alleged failure on the part of City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement or to inform Consultant of noncompliance with any requirement in no way waives any right or remedy of City or any additional insured, in this or any other regard.
13. Consultant agrees to require all subcontractors/subconsultants or other parties hired for this project to provide proof of insurance coverage as outlined above before work is performed by said subcontractors/subconsultants or other parties pursuant to the Agreement. Consultant agrees to obtain certificates evidencing such coverage and to ensure that such coverage is provided as required herein. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. However, in the event Consultant's subconsultant/ subcontractor cannot comply with this requirement, which proof must be submitted to the City, Consultant shall be required to ensure that its subcontractor/subconsultant provide and maintain insurance coverage and endorsements sufficient to the specific risk of exposure involved with subcontractors/subconsultants scope of work and services, with limits less than required of the Consultant, but in all other terms consistent with the Consultant's requirements under this agreement. This provision does not relieve the Consultant

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of its contractual obligations under the agreement and/or limit its liability to the amount of insurance coverage provided by its subcontractors/subconsultant. This provision is intended solely to provide Consultant with the ability to utilize a subconsultant/subcontractor who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of the Consultant under this agreement given the limited scope of work or services provided by the subconsultant/ subcontractor. Consultant agrees to require that no contract used by any subcontractors/ subconsultant or contracts Consultant enters into on behalf of City, will reserve the right to charge back to City the cost of insurance required by this agreement. Consultant agrees that upon request all agreements with subcontractors/subconsultants or others with whom Consultant contracts with on behalf of City will be submitted to City for review for competency with this Agreement. Failure of City to request copies of such agreement will not impose any liability on City, or its employees, officers, officials, agents, and volunteers, nor does it waive or limit City's right to subsequently ask for the copies.

14. If Consultant is a Limited Liability Company, general liability coverage must be amended, to City's reasonable satisfaction, so that the Limited Liability Company and its Managers, Affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds.
15. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant that includes City as a defendant. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor or recommend the handling of any such claim or claims if they are likely to involve City. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents, or volunteers.
16. The insurance provided pursuant to these requirements will not be limited to coverage for the vicarious liability or supervisory role of any additional insured. All insurance coverage and limits provided are intended to apply to the full extent of the policies. Nothing contained in this agreement limits the application of such insurance coverage.
17. Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before City's own insurance or self-insurance shall be called upon to protect it as a named insured. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects to the City, its officers, officials, employees, agents, or volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents, or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.

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18. Duration of coverage. Consultant shall procure and maintain for the contract period, and any additional length of time required thereafter, insurance against claims for injuries to persons or damages to property, or financial loss which may arise from or in connection with the performance of the Work hereunder by Consultant, their agents, representatives, employees, or subcontractors/subconsultants.
19. Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City and shall require similar written express waivers and insurance clauses from each of its subcontractors/ subconsultants.
20. Additional Insured Status. General liability, automobile liability, professional liability, cyber liability, and umbrella/excess liability insurance policies shall provide or be endorsed to provide that City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies.
21. Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.
22. Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage. If any of the Consultant's insurers are unwilling to provide such notice, then Consultant shall be responsible for notifying the City immediately in the event of Consultant's failure to renew any of the required insurance coverages or insurer's cancellation or non-renewal.
23. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.
24. Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
25. Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

APPENDIX H

TECHNOLOGY USE POLICY

OFFICE OF THE CITY MANAGER

Number:	304	Issued:	6/95
Sections:	1-18	Revised:	10/15
Effective Date:	6/15/99		5/23

SUBJECT: Technology Use Policy

1. Purpose. The purpose of this administrative regulation is to provide guidelines for the appropriate use of all technology resources provided and/or maintained by the City. Failure to comply with this administrative regulation may be cause for disciplinary action up to and including termination. Portions of this policy are intended to be consistent with and to expand upon the “Mobile Device Use and Allowance” personnel policy. If any elements of the two policies regarding mobile devices are inconsistent, the “Mobile Device Use and Allowance” policy shall prevail, absent City Manager direction to the contrary.
2. Authority. Authority for the establishment of this regulation is granted through Municipal Code Section 2.08.060.
3. Application. This regulation applies to anyone using or accessing City of Mission Viejo systems, network, resources and/or technology services.
4. Definitions.
 - 4.1. Technology resources – including, but not limited to, computer hardware, mobile devices, software, databases, networks, internet, cloud platforms, training, and education – are provided to technology users for the purpose of conducting City-related business only. The use of City technology resources not specific to the mission or to the duties of the user as directed by the City is prohibited except as specified under section 6.10 or as otherwise instructed by the City Manager. This regulation is intended to supplement the City’s personnel policies, such as the Harassment, Discrimination, Abusive Conduct and Retaliation Personnel Policy that governs the rules of conduct and performance in the workplace.
 - 4.2. All references to “users” in the context of this administrative regulation are assumed to include employees, contractors, volunteers, elected and appointed positions, consultants or other non-employees using or accessing City technology resources.
 - 4.3. “City Technology” shall mean only hardware, software, information systems, or service that is solely owned and/or controlled by the City and shall not mean

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(Continued)

hardware of any type or nature owned by the individuals other than the City and which is, or is not, subject to the “Mobile Device Use and Allowance” policy. Non-City Technology may be used for any lawful purpose, at any time, subject to general workplace restrictions, without violating this policy, provided that non-City Technology is not directly connected to City’s network or systems.

All references to “systems”, “equipment”, “resources” and “services” include equipment such as computers, servers, printers, scanners, software, mobile devices such as tablets and smartphones, telephones, and services such as Internet, Intranet, Cloud, wired, wireless, and remote network connectivity and all other technology-related services provided by City through direct assignment or through an allowance program purchase plan or by any other City Manager approved means.

5. General Policy/Procedure.

- 5.1. The use of City technology for personal profit or gain, or any other activity not specific to the mission or duties of the users or City, is prohibited. Notwithstanding the foregoing, personal management of finances, bills, insurance, retirements or similar personal, non-business, and non-commercial activities is allowable if done on personal time. The City is not liable for any economic loss or other damage of any type or nature that may arise from such personal use. The employee or user has no right or expectation of privacy in the personal use of City technology resources.
- 5.2. Technology that is subject to the “Mobile Device Use and Allowance” policy may be used for any purpose, at any time, that does not intentionally interfere with or impair any technology the City installs on such devices, and only City content and programs may be reviewed or modified pursuant to the applicable policy.
- 5.3. The use of City technology for an illegal, harassment, obscene, or other purpose, which could expose the City to liability or cause reputational harm, is prohibited. The City shall have the sole discretion in characterizing any data or communications sent, forwarded, accessed, or communicated by an employee.
- 5.4. The Information Technology Department (IT Department) has primary and sole responsibility for the installation, management, and support of all technology resources.
- 5.5. All City data is the property of the City. This includes all forms of electronic or digital information related to City business generated or stored on City systems, including systems that have been provided by the City directly or indirectly

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through an allowance program or other approved means. Examples of City may include email, documents, databases, texts, telephone records, graphics, photos, images, metadata, etc. The City reserves the right to access and disclose all such information for any purpose to any person, firm or entity. This shall not apply to data that is not City generated, owned, controlled or otherwise stored on City systems and which is not related to City business.

- 5.6. Violation of any portion of the Technology Use Policy by any user of the City network could result in loss of access rights and/or disciplinary action, up to and including termination.
- 5.7. The City has no duty to store, maintain, preserve or provide any non-City data to an employee or any third-party.
- 5.8. The City will have no liability of any type or nature for damage to, destruction of, or interference with non-City data or systems connected to City technology systems.

6. Computers and Network Use.

- 6.1. The IT Department or designee will control, manage, and coordinate access to all technology networks, computers, equipment, and resources. The IT Department has authority over and is responsible for procurement, installation, configuration, repairs, modifications, and removal of City-owned technologies.
- 6.2. Unauthorized access, use, alteration, deletion, damage, infection, or destruction of any technology resource or service on the City's network is prohibited and may be considered civil or criminal activity, as provided by law and policy. Furthermore, it is prohibited to connect or introduce any new technology system, hardware, or software to the City's network without express authorization from the IT Department.
- 6.3. The IT Department has established a standard configuration of computer hardware and software issued to users. Deviation by users from this standard configuration by installing, removing or configuring any software or hardware or by introducing any non-City authorized hardware or software into the system configuration is prohibited. Changes to any systems or their configuration must be managed and administered by the IT Department or designees.
- 6.4. Users are hereby directed to power off equipment such as computers, printers or monitors, or to put them into sleep-mode before leaving for an extended period of time (i.e., meetings, lunch, etc.). Equipment should be powered off at the end of

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each work day. Computers may be configured by the IT Department to automatically power on early in the morning to receive and apply required security updates.

- 6.5. City-owned laptops, mobile devices, and all portable equipment issued to users should be transported in City-issued protective cases to prevent damage and should be stored in a locked or secured area at all times when not in use.
- 6.6. Users are responsible for proper care of equipment installed at City facilities and/or assigned for their use. Mandatory rules include, but are not limited to: Do not place markings on any equipment. Do not permanently adhere any items such as stickers or decals to equipment provided to you. Keep all liquids and food away from the equipment at all times. Operate the equipment pursuant to the training, instruction guides, and manuals.
- 6.7. Pursuant to above sections, users must promptly report to the IT Department and to their supervisor any issues with technology resources such as loss, theft, damage, errors, and security breaches. Thereafter, the employee shall cooperate with the IT Department as instructed. Users must not try to resolve any unfamiliar errors, issues, or problems without seeking assistance from the IT Department.
- 6.8. The City reserves the right to monitor, log, and manage all technology usage on the City's network, on systems accessing its network, on City-owned devices, and within City-controlled technology services and platforms. Furthermore, the City reserves the right to modify and/or restrict access as deemed necessary in its sole and absolute discretion.
- 6.9. The display of sexually explicit images, sounds, or any other offensive content or material as determined by the City in its sole discretion on any City system(s) is a violation of the City's Harassment, Discrimination, Abusive Conduct, and Retaliation Personnel Policy. This includes sexually explicit or offensive material accessed from or received through the Internet, email, texts, photos or any other digital or electronic methods. In addition, sexually explicit or offensive material may not be archived, stored, distributed, transmitted, edited, or recorded using any City resource.
- 6.10. Employees may, as permitted by this policy and further, use City technology resources for personal use during breaks, provided such use does not interfere with job performance, consume significant amounts of time, distract other employees, does not foreseeably cause embarrassment or discredit to the City, does not result in personal profit or gain, and is done in a professional, courteous manner and with Supervisor approval. All other provisions of this regulation are in effect when resources are used for personal use.

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7. Software Policy.

- 7.1. All software used to conduct City business, including Software-as-a-Service (SaaS) and/or cloud services, must be acquired, licensed, approved, and provisioned by the IT Department.
- 7.2. Users may not copy or install City-licensed software or data to any another system or media without prior approval of the IT Department.
- 7.3. All software installations on any City technology resource must be conducted by the IT Department or designees. Users are not authorized to install software on to ay City technology resource. Prior to use or installation, all software must be evaluated for security risk by the IT Department. Users may install software (apps) on City-managed mobile devices only from legal, approved sources such as Apple or Google stores provided that the installed software does not interfere with the device security, operation, or its ability to connect to City systems including MDM.
- 7.4. Any data or software, including databases, custom reports, graphics, or other work product developed while using a City resource or developed for use on City systems becomes the property of the City of Mission Viejo.

8. Authentication Policy.

- 8.1. To access the City's technology resources, all users are required to authenticate using a unique username, a secure and private password meeting the City's complexity requirements, and a form of Multi-Factor Authentication (MFA). Examples of MFA may include a security app on a mobile device, hardware token, Time-based One Time Passwords (TOTP), biometric, or other form of secondary verification.
- 8.2. User accounts, passwords, and MFA tools are confidential and are not to be shared with anyone, at any time, for any reason, not even to members of the IT Department. Forms of authentication such as passwords and MFA devices must always be handled and stored securely so that no other person can view or access them physically or electronically. Mishandling of passwords and MFA devices may result in assignment of remedial security awareness training, disciplinary action, or revocation of technology access.
- 8.3. Users may be required to change their password periodically under various circumstances such as when password policy requirements are updated, if a password has been shared, or if a password is believed to have been compromised

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in a data breach.

- 8.4. Passwords must adhere to specific complexity requirements defined by the IT Department and posted on the City's Intranet. Password requirements may be updated periodically based on industry trends and constantly evolving cybersecurity requirements.
 - 8.5. For all new technology users, installation and use of an MFA mobile app is the required method of MFA. Users must supply a mobile device that is supported for security updates and that is compatible with the MFA app. MFA hardware tokens will only be issued to new users for qualifying reasons or extenuating circumstances determined jointly by the IT Department and HR Department.
9. Security Policy.
- 9.1. Technology users are responsible for understanding and exercising reasonable security precautions according to guidance and best practices from the security awareness training program. Examples include: Do not open emails or attachments from unknown sources. Do not click on unknown links in emails or on the web. Do not enter your username / password into unknown websites or applications.
 - 9.2. Users should not share or email sensitive information or data such as Social Security Numbers, credit card numbers, bank information, customer personal data, passwords, etc. If such information must be transmitted for City related business purposes, users should contact the IT Department for guidance about secure methods of sending or transferring sensitive information.
 - 9.3. Users must immediately report to the IT Department any type of suspicious activity that could indicate a security incident or cyber attack may have occurred. Examples of a security incident may include anti-virus popup messages, phishing emails, malicious links, unexpected behavior, ransom notes, etc. If possible, when reporting incidents to the IT Department, include any relevant details related to the event (such as where the event occurred, time of the event, screenshots, emails, attachments, etc.) to help the IT Department diagnose and respond.
 - 9.4. Users shall not attempt to hack, circumvent, or exploit the City's security controls to gain unauthorized access to any technology systems or data. Users shall not disable or modify any software or service on any City systems.
 - 9.5. For security purposes and to reduce attack surface, inactive user accounts will be deactivated and removed. For any user account that has not been used or logged in

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for more than 30 calendar days, the user account and associated data may in the City's sole discretion be removed permanently from the City systems unless notified otherwise by the Department Director or Human Resources with a valid reason that the account must be retained.

10. Email Policy.

- 10.1. Email using the domain "cityofmissionviejo.org", or any other domain registered and used by the City for email, is intended for City-related purposes only and is subject to the following regulations. All email communications regarding City business are the property of the City. The City reserves the right to retrieve and make proper and lawful use of any and all communications transmitted through the City's email system. The City respects the individual privacy of its employees. Regardless, an employee cannot and is hereby notified they have no expectation of privacy rights for work-related conduct or the use of City-owned systems. Email users shall have no reasonable expectation of privacy in communications sent or received using the City's email system as email communications are not confidential, unless deemed attorney/client confidential or attorney work product and issued to or from the City Attorney or any member of his or her law firm. Emails labeled such shall have unrestricted confidentiality unless the City Attorney waives such, in writing.
- 10.2. All messages transmitted over the email system should be limited to those which involve City business activities or contain information essential to its employees for the accomplishment of City-related tasks.
- 10.3. The following E-Mail Uses are prohibited:
 - a) Any private, profit-making activity such as "for sale" notices and want ads.
 - b) Support or opposition to campaigns for candidates for elected offices or ballot measures.
 - c) Messages of a religious nature or promoting or opposing religious beliefs.
 - d) Language which is insulting, offensive, disrespectful, demeaning, or sexually suggestive.
 - e) Harassment of any form, sexual or ethnic slurs, obscenities, or any representation of obscenities.
 - f) Messages that are knowingly considered junk or spam and which propagate unsolicited advertising.
 - g) Messages including viruses, malware, phishing, malicious links, or other security threats.
- 10.4. Email messages shall not be kept, either electronically or in hard copy, unless retention is required by law, City email/record retention policy or where its retention would serve a useful purpose for the City. Emails do not become a public record under

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the Public Records Act when they are intended for a temporary purpose and are discarded after the purpose is achieved. Care should be taken that no emails are retained unless they are meant to be deemed official records. By keeping them, they would be “retained in the regular course of business” and should be held as a public record, subject to a 2-year minimum retention as well considered disclosable as a public record. The Custodian of Records shall be the determinative person in the time of uncertainty.

- 10.5. Emails that are retained in electronic folders or in hard copy and are not intended for temporary purposes may be public records and should follow the City’s retention schedule in terms of how long the records may be kept pursuant to legal requirements. It is important to organize these records chronologically to easily determine which records have reached their legal retention and should be destroyed. Consult the Department of Community Relations regarding the City’s retention schedule for the appropriate legal retention requirements. If a user inadvertently retains or deletes public records emails, the Department of Community Relations shall be immediately advised and shall provide remedial measures.
- 10.6. Users of email are solely responsible for the management of their mailboxes. All users must review email at least weekly and any permanent emails that are needed for City business should be filed appropriately either in a separate email folder, network location, or printed out and filed in the appropriate subject file.
- 10.7. Standard email box sizes will be set by the IT Department and communicated to users. Users must adhere to these set limits and are responsible to file or archive permanent email or delete email to meet the limits. Exceptions to mailbox size limits require approval by the IT Department.
- 10.8. Email is backed-up on scheduled, periodic basis. The purpose of these backups are to enable the City to restore current and up-to-date email data in the event of a systems failure or other adverse event, not to serve as a historical record.
- 10.9. Email should not be used for department-wide or city-wide broadcast purposes unless the message is City business related and of interest to all users.
- 10.10. System-wide email distribution groups must be created and managed by the IT Department and changes to the groups will be maintained with department head approval.
- 10.11. The City may access any messages in the email system at any time. Access may occur for reasons of, but not be limited to, situations indicating impropriety, violation of City policy, legal requirements, suspected criminal activities, breach of email security,

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fulfillment of public records or legal requests, locating substantive information that is not more readily available by some other means, or for the performance of routine maintenance, system administration, or account administration. The contents of email may be disclosed within or outside of the City without employee permission or knowledge for any of these official purposes.

- 10.12. While the E-Mail System provides for the sending of material referred to as “private” or “confidential”, users must be aware that such communications are accessible to City management and to certain IT Department employees responsible for managing the City’s email system. As with all technology systems, there is also the possibility of unauthorized access by people for whom the communication was not intended. Therefore, use of the email system must be exercised with appropriate caution.
- 10.13. The IT Department will not access the contents of a user’s mailbox unless there is an official business, cybersecurity, or legal need.
- 10.14. Automatic forwarding of email from an employee’s City email address to any outside email address is prohibited. Exceptions to this provision must be approved by the IT Department and must serve a valid City-related purpose.
- 10.15. Some messages transmitted over the City’s email system may constitute confidential, privileged communications between the City and its legal counsel. Upon receipt of a message either from or to legal counsel, employees shall not forward it to anyone without legal counsel’s authorization. The text portion of such messages must always include verbiage with the wording, “Confidential. Not open to Public Inspection. Attorney-Client Privileged Communication” or a similar legal disclaimer.
- 10.16. Any communication that is exempt from the Public Records Act must always contain the exact phrase “PRA-Exempt” in the subject line. Some examples of this are attorney-client privileged and personnel-related communications.

11. Mobile Devices Policy.

- 11.1. The City recognizes that mobile devices are important tools used for City business, communications, and collaboration. The City provides or allows the use of mobile devices in specific scenarios: 1) The City purchases and assigns supported mobile devices to users. 2) The City pays an allowance for users to purchase, provide, and maintain supported mobile devices. 3) The City may allow the use of supported personal devices, provided by users at their own expense, with approval from the IT Department, the HR Department, and the employee’s supervisor. Use of any mobile device for City business must comply with all City policies including the Mobile

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Device and Allowance Use Personnel Policy and the Technology Use Policy.

- 11.2. Mobile Device Management (MDM) software shall be installed and used on all mobile devices used to access the City's technology systems or data. A user's failure to provide the IT Department permission to install MDM software shall result in the City disconnecting the user's access to the City systems from the mobile device. This applies to users that receive a monthly mobile device allowance as well as users that do not receive a monthly allowance and is premised on the need to provide unified data management and appropriate cybersecurity controls, not intrusion into an employee's right of privacy.
- 11.3. Only approved mobile devices and operating systems compatible with the City's applications and security requirements are allowed to connect to City technology systems. Currently supported mobile device operating systems include Apple iOS and Google Android. For authorization to use any other operating system prior approval must be obtained from the IT Department. Only devices and operating systems that are supported for the latest security patches are approved to connect to City technology systems.
- 11.4. Mobile devices that connect to any City technology system or which store or access any City data must be maintained to standards set in the MDM system. Non-conformance may result in the mobile device being disconnected from City systems and City data being wiped from the device. Mobile device standards will be listed and updated on the City's intranet site, <http://CMVnet>. Users must cooperate with City personnel if removal of MDM software and/or City data is required.
- 11.5. Jailbreaking and rooting of hardware or software is prohibited on mobile devices as this may compromise the security of the device. IT Department will provide information, upon request, what these actions encompass.
- 11.6. Users shall not remove or tamper with any City-installed software or apps on mobile devices. Employees may reasonably use mobile devices issued by the City for lawful personal use and may install personal software and applications, provided such use does not interfere with job performance, consume significant amounts of time, distract other employees, does not potentially cause discredit to the City, does not result in non-permitted personal profit or gain, is done in a professional and courteous manner, and adheres to all then applicable City policies including the Technology Use Policy.
- 11.7. All provisions listed in this policy apply to all mobile devices connected to the City systems unless listed in this document as a specific exception

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- 11.8. All recipients of a mobile device allowance are required to maintain an active device and account with a wireless telecommunications service provider for as long as they are required to be reachable and accessible by City officials. Employees are also required to provide the mobile device phone number to their immediate supervisor and also agree to publish this number in the City's contacts databases, Intranet, and as needed for the conduct of City business. Notwithstanding the foregoing, if legal or security reasons for not publishing an employee's phone number are provided and approved by the City Manager, then the information shall not be published, but shall be known to the employee's supervisor. In addition, for those employees that are expected to report to the City's Emergency Operations Center in the event of an emergency, drill, training, or other official purpose, the mobile device number shall be provided to the employee responsible for Emergency Operations. Any change to an employee's mobile device phone number is to be reported to the employee's immediate supervisor and the IT Department within 24-hours of the change.
- 11.9. For security purposes, mobile devices used for City business must be locked and controlled by a supported form of authentication such as fingerprint, facial recognition, pass code, or equivalent technology managed and supported by the MDM system.
- 11.10. All employees who use a mobile device to connect to City systems or to conduct City business must notify the IT Department, their Department Director, and immediate supervisor if their mobile device is lost, stolen, broken, or breached. Such notice should be given as soon as reasonably possible and in no longer than 24 hours to allow the City's IT Department to secure, wipe, or delete the device data. The employee may ask the IT Department in writing to have all device data be removed in cases when the device is stolen or lost.
- 11.11. When an employee is to no longer receive a mobile device allowance for any reason, the IT Department shall remotely wipe or delete all City data from the mobile device using MDM software. Examples of City information to be deleted include, but is not limited to, email, calendar items, contacts, and any files or programs. The IT Department shall make reasonable efforts not to wipe personal data from the device to the extent such a function is available and supported by MDM, the manufacturer of the device, and the operating system.
- 11.12. Employees who receive a mobile device allowance are responsible for the security and care of the device. Employees are responsible for costs incurred for replacing a lost, stolen, or damaged mobile device, subject to the discretion of the City Manager.
- 11.13. It is the City's expectation that an employee shall replace the lost or stolen mobile device within three (3) business days of loss. In the event that the time to replace the

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missing equipment is longer than three (3) business days, the employee must notify their Department Director to suspend the mobile device allowance benefit disbursement until the replacement equipment has been received and has been enrolled in MDM. In the interim, the City may but is not required to, assign the user a City-owned device to ensure public services are not interrupted.

12. Internet, Intranet and Web Services Policy.

- 12.1. Internet access is provided to users as an essential tool for communication, access to information and research, and for access to Cloud-based systems and software applications used during the course of City business.
- 12.2. The City filters Internet access on all systems connected to its corporate network and on all endpoint computing devices managed by the IT Department. Through the use of web filtering software, the City blocks access to adult material, violent material, gambling, sites the City deems inappropriate, and other sites which pose a security risk to City systems or data. The City reserves the right to block other sites if deemed unsafe or harmful to City systems or users.
- 12.3. The City relies on third-party software to block prohibited websites and Internet traffic, thus there is no guarantee of complete accuracy in filtering of web content. That a website is accessible does not automatically mean it is appropriate or safe. Users should use reasonable judgement in accessing web content and should promptly report inaccurate filtering of website content to the IT Department.
- 12.4. The City reserves the right and has the ability to log, store, access, review, and/or disclose all information and data related to Internet access and activity from City systems and devices for any lawful purpose.
- 12.5. Users must exercise caution when downloading files from the Internet. Users should only download files related to their job function when needed for City business. Downloaded files may introduce malware or other system threats that can damage City technology systems and data. Users should not download any files that require installation without prior written authorization from the IT Department.
- 12.6. It is prohibited to knowingly generate, disseminate, request, receive, or archive material which contains content or imagery that is discriminatory, offensive, defamatory, or harassing in nature.
- 12.7. The City Manager, Director of Community Relations, and Director of Information Technology, or their designee(s) shall determine appropriateness of content and materials published to the City's websites, eNewsletters, Intranet, or on the Internet.

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13. Website Policy.

- 13.1 The website policy pertains to all City-owned or City-operated websites, web applications, and website domain names managed, or re-directing to any City-owned site.
- 13.2 The City uses various Content Management Systems (CMS) to automate and manage the content published on its sites. The IT Department is responsible for administration of each CMS and may grant access to individual website content editors (CMS users) from each department. CMS users must receive appropriate training and demonstrate competency to gain and maintain access to each CMS.
- 13.3 Each Department is responsible for publishing and maintaining relevant content on the City's websites related to their departmental services and functions. Each department must designate at least one individual to be trained to operate the website Content Management System (CMS) for editing and maintenance of published content. Each department is responsible to ensure that content has been approved by the City's Community Relations Department prior to publishing content and prior to requesting that the IT Department publish content.
- 13.4 All published website content must adhere to Council RESOLUTION 04-137 adopted on October 18, 2004 regarding Criteria for the Establishment of Links to External Websites on the City's Official Web Site.

The City of Mission Viejo permits the establishment of links to external websites on the City's official web site, including the City of Mission Viejo Library web site, solely in conformance with this policy. In establishing and maintaining its official website, the City does not intend in any manner to create a forum or other means by which public discourse, exchange of opinions, or discussion on issues of any nature may occur. Rather, the sole and limited purpose of the City's website and permitted external links are to provide non-political and/or non-religious information of a factual nature about the City of Mission Viejo including various services and resources available within and around the City, or as may be available from other government agencies. To avoid any perceptions that the City endorses or provides favorable treatment to any private person or business enterprise, corporate or commercial logos or direct links to vendor sites are not allowed.

It is the City's policy to limit external links to the following kinds of entities and organizations:

- Other governmental agencies including, but not limited to school districts, county and state agencies, transportation agencies, and other public service

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agencies serving the residents of the City of Mission Viejo;

- Official governmental created and managed websites for elected public officials, but expressly excluding websites that are associated with, sponsored by, or serving a candidate for elected office, any political party, or any organization supporting or opposing any candidate for elected office or any ballot proposal;
- Bona fide organizations that provide City residents and visitors with opportunities to experience or learn about cultural resources including museums, libraries, historical organizations and similar organizations;
- Public and private, bona fide educational institutions as defined in Education Code § 210.1, or as described in Education Code § 6601(a) and (b), located within Orange County;
- Entities and organizations with which the City has a sponsoring relationship and the ensuing web links are in support of the sponsored event or activity or receive grant funding; and
- Educational resources and research tools for library patrons.
- Software download sites necessary to view information or run programs associated with the functionality with City sites.
- Websites offering translation services.
- Mapping and other transportation or directional websites.
- Organizations with which the City contracts, utilizes, or refers the public to provide essential City services or information.
- Neighborhood and homeowner associations that have met the criteria to be **registered with the City's Community Development Department.**
- Commercial websites that maintain or display information which provides a public or community service or information to aid the public and which is not also available elsewhere through a public site.
- Entities and organizations wishing to establish external links on the City's official website must submit a request to the Information Technology Department, which shall contain all information necessary to verify the facts

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stated. Regardless of the foregoing, the City of Mission Viejo reserves the right to:

- Deny an external link application as to any person, business or organization when it is determined, following review of a complete application, that the entity or organization for which application is made does not meet the objective criteria set forth in this policy;
- Deny an external link application as to any person, business or organization which fails to provide all required information, or fails to provide truthful information;
- Remove any external link if the nature of the organization or business to which the link relates no longer complies with the City's external link policy; or
- To revise this policy without prior notice when to do so is deemed to be in the best interests of the City.

13.5. The official seal, logos, and brands of the City of Mission Viejo are trademarks of the City and protected by municipal law, in addition to copyright law. Use of the City seal and emblem is regulated pursuant to Mission Viejo [Municipal Code Section 1.04.020](#). Any use of the materials stored on the City's website is prohibited without the written permission of the City of Mission Viejo City Manager. The City of Mission Viejo retains all intellectual property rights including copyrights on all text, graphic images, and other content. Modification, distribution, mirroring, or use of images or other web content is prohibited and may result in civil or criminal prosecution, is the discretion of the City.

13.6. The materials and information contained on or obtained from City websites and Social Media sites are distributed and transmitted "as is" without warranties of any kind, either express or implied, including without limitation, warranties of title or implied warranties of merchantability or fitness for a particular purpose. Information contained on the City website, including information from external links thereon, is provided without any representation of any kind as to accuracy or content and should be verified by the user. The City of Mission Viejo is not responsible for any special, indirect incidental or consequential damages that may arise from the use of or the inability to use the website and/or material contained on the site whether the material contained on the website is provided by the City or a third party.

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14. Social Media Policy.

The intended purpose for establishing a social media presence is to solely and specifically disseminate the “City’s governmental voice” rather than to create a public forum of any type or designation. This means disseminating information about the City’s mission, services, meetings, and current issues to members of the public. The City has an overriding interest and expectation in solely deciding what is "spoken" on behalf of the City on City social media accounts. The City has an overriding interest and expectation in protecting the integrity of the information posted on its social media accounts and the content that is attributed to the City or its officials.

For purposes of this policy, "social media" is understood to be content created by individuals, using accessible, expandable, and upgradable publishing technologies, through and on the Internet. Examples of social media platforms include but are not limited to, Facebook, Instagram, NextDoor, YouTube, Twitter, and LinkedIn. For purposes of this policy, "comments" include information, articles, pictures, videos, reactions or any other form of communicative content posted or published on a City-operated social media platform, site, page, or account.

- 14.1. The establishment and use of City social media accounts by any City department are subject to approval by the City Manager or his/her designees. All City social media accounts shall be jointly administered by the IT Department and Community Relations Department or their designees. The IT Department shall be responsible for technology, access control, and security, while the Community Relations Department shall be responsible for publishing, maintaining, and moderating content and information. The Director of Community Relations is responsible for and will monitor content on City social media accounts for adherence to the City's Social Media Policy and communication goals.
- 14.2. City social media accounts should make clear that they are owned, maintained, and administered by the City and that they follow the City's Social Media Policy. City social media accounts and associated pages, posts, and content shall be consistently branded including use of the City seal or logo to communicate a clear association with the City, shall include contact information, shall link to the official City website (for in-depth information, forms, documents or other online information necessary to conduct business with the City), and should link to other City social media platforms.
- 14.3. City social media accounts and associated pages, posts, and content should link to the City’s official websites for forms, documents, online services, and other information necessary to conduct business with the City. Social media platforms

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should not be used as the primary or sole location for the publishing and/or storage of tools and functions used to conduct City business.

- 14.4. Only employees who are authorized by the Community Relations Department may post to social media platforms on behalf of the City. Employees representing the City on social media platforms must conduct themselves at all times professionally, respectfully, and calmly, as a representative of the City and in accordance with all City policies.
- 14.5. The City reserves the right to terminate City social media accounts at any time without notice.
- 14.6. The City reserves the right to restrict or remove any content that is deemed in violation of this Social Media Policy, general City health, safety, and welfare, or any applicable law. Any content removed based on these guidelines must be retained by the Community Relations Department, or by the department that removed said content, for a period of (90) calendar days, including the time, date and identity of the poster when available, and reason for removal of content.
- 14.7. The Social Media Policy must be displayed to users or made available by hyperlink on City websites.
- 14.8. The City will approach the use of social media tools as consistently as possible across the organization and across all social media platforms.
- 14.9. City-owned websites will remain the City's primary and dominant internet presence.
- 14.10. The City's usage of social media platforms shall adhere to federal, state and municipal laws, regulations and policies.
- 14.11. City social media platforms, accounts, and content are subject to the California Public Records Act. Any content maintained in a social media format that is related to City business, including a list of subscribers, posted communication, and communication submitted for posting, may be a public record subject to public disclosure. The City will comply with public records requests to the degree that retrieval of information is possible and supported by functions and capabilities provided by each social media platform. Notice of this will be posted on all City websites.
- 14.12. City social media content, including comments, pictures, or other material,

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containing any of the following are hereby determined to be detrimental to the purpose of the City's social media presence and shall not be allowed and are subject to removal and/or restriction by the Community Relations Director or designees:

- a) Content that does not reasonably pertain to City business, or is not within the jurisdictional purview of the City;
 - b) Comments or responses not related to the original topic of a post, including those that are random or unintelligible;
 - c) Profane, obscene, violent, sexual, or pornographic content, links, and/or language;
 - d) Content that promotes, fosters, or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability, sexual orientation, or any other basis protected by federal, state, or local law;
 - e) Defamatory or personal attacks; any uncertainty defaults to removal;
 - f) Threats of physical violence or any other harmful act directed to any person, or persons, group, or organization; all specific threats to person or property will be reported to law enforcement;
 - g) Solicitations of commerce not related to City business, including but not limited to, advertising of a business or product for sale;
 - h) Content in support of, or in opposition to, any political campaigns or ballot measures;
 - i) Conduct or encouragement of illegal activity;
 - j) Personal matters;
 - k) Information that may tend to compromise the safety or security of the public or public systems;
 - l) Content that violates a legal ownership interest of any other party; and
 - m) Content that is in violation of any federal, state, or county or municipal law.
- 14.13. A comment posted by a member of the public on any City social media platform is the opinion of the commentator or poster only, and publication of a comment does not imply endorsement of, or agreement by, the City, nor do such comments necessarily reflect the opinions or policies of the City.
- 14.14. The City reserves the right to block or deny access to City social media content to any individual who violates the Social Media Policy at any time, without prior notice.
- 14.15. Departments granted approval to establish and maintain their own social media accounts shall monitor activity for comments requesting responses from the City and shall provide appropriate responses. Departments shall monitor for and remove

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comments in violation of this policy according to content removal guidelines detailed in section 13.6.

- 14.16. City employees posting or responding to a comment, in his/her capacity as a representative of the City shall list the name and title. City employees shall not post or share personal information about himself or herself, or other City employees.
- 14.17. Employees forfeit any expectation to privacy with regard to anything published or maintained through file-sharing software or any social media platform open to public view. For employee usage of social media in an official capacity on behalf of the City, all messages, pictures, and attachments transmitted, accessed, or received using City technology systems are considered City records and therefore, are the property of the City. The City also reserves the right to access, audit, and disclose for whatever reason all messages, including attachments, and any information transmitted over any technology that is issued or maintained by the City, including the City email system, computer network, or any information placed in storage on any City system or device. This includes records of web-browsing history on any City computer or over any City network. The fact that access to a database, service, or website requires a user name or password will not create an expectation of privacy if it is accessed through a City computer or network.
- 14.18. All information and comments posted to any City social media platform are also subject to the social media platform owner's terms of use, policies, and guidelines which are not controlled by the City.
- 14.19. This Social Media Policy may be revised at any time.
15. Data Storage and Backup Policy.
 - 15.1. The IT Department performs backups of important technology systems and data such as servers, databases, applications, and cloud platforms. However, by default, endpoint computer workstations and laptops are not backed up unless they have been identified as containing important systems or data by the City. Files, records, and data should be saved to a computer's local storage for temporary purposes only. Important files, records, and data should always be stored on network file shares, within application systems and databases, or to approved cloud storage repositories.
 - 15.2. Backups of the City's email system are for the purpose of system recovery only. The City stores email only to the degree that allows the City to restore the essential system in the event of a failure.

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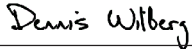
- 15.3. Backups of servers and network data files are taken daily. Backups are replicated to an offsite facility, are kept for one year, and are then deleted.
- 15.4. Each user is assigned a personal home directory on a local file server. Other network users cannot access this folder. Files stored in this area should be ones only the creator will use. Users may be granted the capability to store and share files using cloud application such as OneDrive. All data and other forms of electronic information including email that is stored on any type of media provided by the City are the City's. The City reserves the right to access and disclose all such stored information for any purpose.
- 15.5. Each Department is provided with shared files storage locations, either locally or in the cloud, for their departmental data that other departments cannot access. Files stored in department areas shall be those used by other members in your division or department.
- 15.6. Each user has access to common folders for their department and common folders of other departments. Files stored in this area shall be ones that will be used by users outside of your division or department.
16. Remote Access.
 - 16.1. Many of the City's technology systems run on its internal technology infrastructure on a private, protected network. To gain remote access to the City's internal technology systems, specific conditions must be met as described in this section.
 - 16.2. Remote access to the City's internal applications, files, and data may be granted based on requirements of the job position, as determined necessary by an employee's supervisor or director, or with approval from the City Manager.
 - 16.3. Remote access must be obtained through the use of an approved VPN (virtual private network) application. Furthermore, VPN connections are only allowed from approved city-managed computers that are configured with appropriate security controls and configurations. Use of personal devices to connect to VPN are prohibited unless approved by the IT Department.
 - 16.4. Access by outside agencies, temporary employees, project employees, interns, volunteers, or consultants is not permitted without specific request by a Department Director and approval of both the City Manager, and Information Technology Director or designee.

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- 16.5. To establish a VPN connection, users will be required to authenticate with an approved method of Multi-Factor Authentication (MFA).
17. Equipment Checkout and Use.
- 17.1. City-owned equipment is available for checkout for official City purposes. Equipment may include laptops, tablets, hotspots, projectors, and other portable devices. Equipment may be assigned for temporary use or it may be assigned on a long-term basis.
- 17.2. All Technology Use Administrative Regulation rules apply to users and equipment issued for temporary or long-term use.
- 17.3. Equipment will be checked out and administered by the IT Department. Requests for equipment checkout must be submitted at least 24-hours in advance. The checkout request must indicate the equipment checkout date, return date, and intended use. Equipment will be assigned to the user on a first-come, first-served basis. To be issued equipment, users must sign a checkout form and must return equipment timely or risk being denied future checkout requests.
- 17.4. Equipment checkouts may be used on-site during normal working hours, overnight or for weekend business use, but may also be used during out-of-town travel on City business.
18. Training.
- 18.1 The City provides technology training for employees. The training is offered by IT Department, other City staff, or through formal courses at local training centers. Training must be requested by a Department Director and budgeted by the requesting department. Training must meet the job description duties of the employee or evaluation goals as requested by the Department Director. Information on training registration is available on the City Intranet at <http://CMVnet>.
19. Security Awareness Training.
- 19.1 Technology users are high-risk targets of cybersecurity threats. Users have access to technology systems and data which can be used by threat actors to conduct cyber-attacks against the City. Therefore, all technology users are required to complete cybersecurity awareness training annually, at a minimum, and more frequently when warranted to reduce cyber risk.

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(Continued)

- 19.2 New users must complete security awareness training promptly. If feasible, new users should complete training on the first day they are granted access to technology systems. At a minimum, training must be completed within 30 days.
- 19.3 Additional security awareness training may be required as necessary when information system changes occur, or when employees need to be educated about new security issues, threats, concerns, and best practices.
- 19.4 Users who engage in behavior that poses known cyber risks or who do not follow training best practices will be assigned additional/remedial training. User roles at high risk of being targeted may be required to complete additional training.

DocuSigned by:

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10/27/2023
Date

APPENDIX H
(Continued)

ACKNOWLEDGEMENT OF RECEIPT OF Technology Use Policy

This is to acknowledge that I have received a copy of the City of Mission Viejo “Technology Use Administrative Regulation” and understand that it contains important information on the City’s policies and on my obligations and responsibilities as an employee, volunteer, elected or appointed position or contractor.

I acknowledge that I am expected to read, understand and adhere to City policies and will familiarize myself with the provisions in the policy. I understand that the provisions in the policy govern me and that the City may change, rescind, or add to any policies or practices declared in the policy from time to time in its sole and absolute discretion with or without prior notice. The City will advise me of substantive changes within a reasonable time frame and I will adhere to them.

I particularly express a full understanding of Section 9, and all of its subparts, including the “RPS-Exempt” and attorney client privileged/attorney work project exemptions to review by Information Technology Department or third parties.

I further acknowledge that from time to time, my knowledge of this policy may be tested and failure to demonstrate proficiency with this policy may be grounds for discipline for an employee, or a loss of access rights for non-employees.

User’s Printed Name

Date

User’s signature

Distribution:
Employee return to Human Resources City
Council members return to City Clerk All
others return to Department Director