#10 Description

To reduce potential errors and omissions by city staff members when contracting for goods and services, by January 2023 Richmond should require its finance department to create a comprehensive checklist of required documentation for contract files that other departments must follow when conducting procurements.

#10 Corrective Action Plan

The City staff will compile a comprehensive checklist that will be utilized in reviewing and approving all contracts to ensure that proper procurement procedures and adherence to all applicable City policies are followed.

#10 April 2023 Update

City staff created several checklists to ensure that all relevant contract items are reviewed, to reduce errors, improve efficiency and reduce audit findings. In addition, the checklists provide a standardized approach to ensure that all items are submitted and reviewed consistently and thoroughly and reduce the likelihood of oversight or mistakes. The checklist also provides a record of the process that was followed. Below is a list of the checklists that were created and distributed to all City staff during the trainings conducted, recorded and posted on the City's Intranet. The checklist forms are also available on the City's intranet for employees to download.

1. Contract Checklist Form
2. Contract Amendment Checklist Form
3. Purchase of Product Checklist Form
4. Contract Routing Process
5. Quote Summary Form
6. Piggyback Approval Form
7. Insurance Approval Checklist Form

#10 May 2022 Update

Updated checklists in place since November 2022. Intra-departmental team, including City Attorney's Office, meet on a regular basis to review and update processes, procedures, and checklists. Additionally, additional refresher training will be provided to staff.

CONTRACT CHECKLIST - REQUIRED ITEMS
Use of this checklist will also ensure audit compliance

This checklist must be included in the contract module along with all the required documents listed below. Each document must be attached separately in MUNIS.

☐	**COMPANY OR CONTRACTOR NAME:** _____ **VENDOR #:** _____
☐	**CITY OF RICHMOND BUSINESS LICENSE NO:** _____ **EXPIRATION DATE:** _____ ☐ Contracts under $5,000 ☐ Written exemption from Accounting Manager over Revenue
☐	**INSURANCE CERTIFICATE WITH ENDORSEMENT** Certificate of Insurance and additional Insured Endorsements (General Liability; Business Auto; Waiver of Subrogation) naming the City of Richmond as additional insured.
☐	**INSURANCE APPROVAL -** Approved Insurance Form from Risk Manager
☐	**APPROVED LEGAL OPINION**
☐	**VENDOR SIGNED CONTRACT -** Short-Form Contract ≤ $10,000 - Standard Contract > $10,000 **Note:** Contract is routed for approval after contract is approved in MUNIS. Fully executed contract is attached to the contract module prior to entering requisition in MUNIS.

☐	**EVIDENCE OF COMPETITIVE BIDDING OR SOLE SOURCE OR EMERGENCY JUSTIFICATION OR PIGGYBACK/COOPERATIVE AGREEMENT**
	
	☐ Less than $3,000 – One written quote
	
	☐ Between $3,000 to $4,999 – Two written quotes – Attach Quote Summary or Rating Matrix
	
	☐ Between $5,000 to $50,000 – Three written quotes - Attach Quote Summary or Rating Matrix
	
	☐ Over $50,000 – Competitive Sealed Bids or Proposals
	
	      ☐ Include BidsOnline Project Report ☐ Include Rating Matrix or Canvass of Bids
	
	      ☐ Include Bid Solicitation or Request for Proposal or Request for Qualifications
	
	☐ **APPROVED SOLE SOURCE FORM** ☐ **APPROVED EMERGENCY JUSTIFICATION FORM**
	
	    ☐ ≤ $10,000 Signed by Depart. Head, Finance Director, City Manager: Date Signed by CM_____
	
	    ☐ > $10,000 Signed by Depart. Head & Finance Director: Date Signed by Finance Director _____
	
	☐ **PIGGYBACK/COOPERATIVE AGREEMENT**
	
	    ☐ Copy of Solicitation
	
	    ☐ Approved Piggyback Justification signed by Finance Director

☐	**COUNCIL APPROVAL DATE:** _____ **-** If over $10,000 – **Attach the following Documents** ☐ Minutes (or email from City Clerk's office) ☐Staff Report ☐Resolution (if applicable)
☐	**INFORMATION TECHNOLOGY ITEMS -** If the item being purchased is an information technology item, include the Approved IT Authorization Form signed by the IT Director
☐	**CONTRACT AMOUNT – $**_____ **QUOTE/BID AMOUNT- $** _____ **TERM OF CONTRACT -** _____ **Note: This amount must match the council approved amount, and amount entered in MUNIS**

Requisitioner's Name: _____   **Department:** _____

City of Richmond Business License Notes:

- Non-profits will need to obtain a business license tax certificate. If they have proof of non-profit status, their business tax will be waived but they will be responsible for certain fees including a one-time $35 registration and recurring $4 State pass through fee.
- Required of all vendors with physical presence (working in) Richmond or those entering Richmond to provide services.
- License required if vendor's cumulative fiscal year total dollars = $5,000 or more – even if service is intangible (i.e. consulting)

Note: There are exceptions. If unclear, written exemption from Accounting Manager over Revenue is required in order to bypass the business license requirement.

Insurance Certificates: Contact Risk Management for questions regarding certificates and waivers.
- Do not submit expired or about to expire insurance certificates.
- For certificates pending renewal or about to expire – at least 3 months of any new contract period should be covered by the insurance certificate submitted.
- Must specify City of Richmond as "Additional Insured" and an endorsement must be attached.
- Document must be endorsed (signed)
- If coverage is for less than the term of contract, the requisitioner must ensure new insurance documents are received and attached to the contract.
- If coverage (carrier) changes, the requisitioner must verify that nothing has been dropped or $ reduced.

CONTRACT AMENDMENT CHECKLIST - REQUIRED ITEMS
Use of this checklist will also ensure audit compliance

This checklist must be included in the contract module along with all the required documents listed below. Each document must be attached separately in MUNIS.

☐	**COMPANY OR CONTRACTOR NAME:** _____ **VENDOR #:** _____
☐	**CITY OF RICHMOND BUSINESS LICENSE NO:** _____ **EXPIRATION DATE:** _____ ☐ Contracts under $5,000 ☐ Written exemption from Accounting Manager over Revenue
☐	**INSURANCE CERTIFICATE WITH ENDORSEMENT** Certificate of Insurance and additional Insured Endorsements (General Liability; Business Auto; Waiver of Subrogation) naming the City of Richmond as additional insured.
☐	**INSURANCE APPROVAL -** Approved Insurance Form from Risk Manager
☐	**APPROVED LEGAL OPINION**
☐	**VENDOR SIGNED CONTRACT AMENDMENT** **Note:** Contract Amendment is routed for approval after contract amendment is approved in MUNIS. Fully executed contract amendment is attached to the contract module prior to entering requisition in MUNIS.
☐	**COUNCIL APPROVAL DATE:** _____ If amendment is over $10,000 – **Attach the following Documents** ☐ Minutes (or email from City Clerk's office) ☐Staff Report ☐Resolution (if applicable)
☐	**CONTRACT AMENDMENT TIME & AMOUNT: AMOUNT** $_____ **TOTAL CONTRACT AMOUNT - $**_____ **NEW TERM OF CONTRACT -** _____ **Note: This must match the council approved amount, and amount entered in MUNIS**
☐	**CONTRACT AMENDMENT TIME ONLY: NEW TERM OF CONTRACT** _____

Requisitioner's Name: _____   Department: _____

City of Richmond Business License Notes:
- Non-profits will need to obtain a business license tax certificate. If they have proof of non-profit status, their business tax will be waived but they will be responsible for certain fees including a one-time $35 registration and recurring $4 State pass through fee.
- Required of all vendors with physical presence (working in) Richmond or those entering Richmond to provide services.
- License required if vendor's cumulative fiscal year total dollars = $5,000 or more – even if service is intangible (i.e. consulting)

Note: There are exceptions. If unclear, written exemption from Accounting Manager over Revenue is required in order to bypass the business license requirement.

Insurance Certificates: Contact Risk Management for questions regarding certificates and waivers.
- Do not submit expired or about to expire insurance certificates.
- For certificates pending renewal or about to expire – at least 3 months of any new contract period should be covered by the insurance certificate submitted.
- Must specify City of Richmond as "Additional Insured" and an endorsement must be attached.
- Document must be endorsed (signed)
- If coverage is for less than the term of contract, the requisitioner must ensure new insurance documents are received and attached to the contract.
- If coverage (carrier) changes, the requisitioner must verify that nothing has been dropped or $ reduced.

PURCHASE OF PRODUCT CHECKLIST - REQUIRED ITEMS
Use of this checklist will also ensure audit compliance

This checklist must be included in the REQUISITION module along with all the required documents listed below when a product is purchased (Not Services). Each document must be attached separately in MUNIS.

☐	**COMPANY OR CONTRACTOR NAME:** **VENDOR #:**

☐	**EVIDENCE OF COMPETITIVE BIDDING OR SOLE SOURCE OR EMERGENCY JUSTIFICATION OR PIGGYBACK/COOPERATIVE AGREEMENT**
	
	☐ Less than $3,000 – One written quote
	
	☐ Between $3,000 to $4,999 – Two written quotes – Attach Quote Summary Form
	
	☐ Between $5,000 to $50,000 – Three written quotes – Attach Quote Summary Form
	
	☐ Over $50,000 – Competitive Sealed Bids or Proposals
	
	      ☐ Include BidsOnline Project Report ☐ Include Rating Matrix or Canvass of Bids
	
	      ☐ Include Bid Solicitation or Request for Proposal or Request for Qualifications
	
	☐ **APPROVED SOLE SOURCE FORM** ☐ **APPROVED EMERGENCY JUSTIFICATION FORM**
	
	    ☐ ≤ $10,000 Signed by Depart. Head, Finance Director, City Manager: Date Signed by CM _____
	
	    ☐ > $10,000 Signed by Depart. Head & Finance Director: Date Signed by Finance Director _____
	
	☐ **PIGGYBACK/COOPERATIVE AGREEMENT**
	
	    ☐ Copy of Solicitation
	
	    ☐ Approved Piggyback Justification signed by Finance Director

☐	**COUNCIL APPROVAL -** If over $10,000 – **Attach the following Documents** ☐ Minutes (or email from City Clerk's office) ☐ Staff Report ☐ Resolution (if applicable)
☐	**INFORMATION TECHNOLOGY ITEMS** If the item being purchased is an information technology item, include the Approved IT Authorization Form signed by the IT Director
☐	**AMOUNT APPROVED BY COUNCIL –** $_____ **QUOTE/BID AMOUNT- $** _____ **Note: This amount must match the council approved amount, and amount entered in MUNIS**

Requisitioner's Name: _____   **Department: _____**

Contract Routing & Contract Module -MUNIS Procedures

Department - Contract Initiation:

- Conduct appropriate solicitation per $ threshold
    - ☐ Less than $3,000 – Solicit One Written Quote
    - ☐ Between $3,000 - $5,000 – Solicit Two Written Quotes
    - ☐ Between $5,000 - $50,000 – Solicit Three Written Quotes
    - ☐ Over $50,000 – Formal Sealed Bids/Proposals are Required
- Formal procedures are used when the value of the purchase/service is over $50,000
- Prepare contract documents located on the **intranet** under Forms > Contract Preparation Forms
- Review Insurance Requirements on the **intranet** under Human Resources > Risk Management Forms and select appropriate COR Insurance Requirements

Risk Management — Insurance Requirements Review:

Insurance verification requests are emailed to insurance_request@ci.richmond.ca.us

Send the following documents to Risk Management for review:
- Insurance Requirements Documentation which includes:
    - ✓ Draft Contract
    - ✓ Service Plan (Scope of Work)
    - ✓ COR Insurance Requirements
    - ✓ Insurance Certificate with additional insured endorsements
    - ✓ Insurance Checklist

Approved Checklist from Risk Management should be included in RLO.

City Attorney — Legal Review:

Requests for legal opinion are emailed to rlo_attorney@ci.richmond.ca.us

Send the following documents to the City Attorney's Office for review:
- Completed Legal Opinion Form * which includes:
    - ✓ Evidence of Competitive Bid - (rating matrix, Bids Online Project Report (summary of bids/proposals/award) or
    - ✓ Sole Source Justification Form (Approved) or
    - ✓ Emergency Justification Form (Approved)
    - ✓ Draft Contract
        - w/ Service Plan (Scope of Work)
        - a w/ COR Insurance Requirements attached

✓ (If applicable: proposed modifications to General Conditions, COR Insurance Requirements and/or waiver request noted on Special Conditions page)
✓ Approved Insurance Checklist

Department - After Approved Legal Opinion — Contracts and Contract Amendments:

- Obtain approved minutes (email from City Clerk's Office is sufficient) or certified resolution from City Clerk's Office. (if greater than $10,000)
- Contractor must sign the contract.

(* All forms are located on the Intranet under Forms>Contract Preparation Forms)
- Upload documents into Contract Module MUNIS: (use these titles as examples):
    ✓ Evidence of Competitive Bid
        1. (RFP/RPQ, Request for Bid, awarded proposal
        2. Rating matrix
        3. Bids Online report or
    ✓ Approved Sole Source Justification Form or
    ✓ Approved Emergency Justification Form
    ✓ Council Approval Greater than $10,000- Approved Minutes (email from City Clerk's Office is sufficient) or Certified Resolution
    ✓ Approved - Request for Legal Opinion (RLO)
    ✓ Agenda Report (if more than $10,000)
    ✓ Business License or approved waiver
    ✓ Certificate of Insurance & Additional Insured Endorsements (General Liability; Business Auto; Wavier of Subrogation)
    ✓ Insurance Checklist Form
    ✓ If Insurance is to be waived — attach approved email from Risk Mgt
    ✓ Contract Checklist Form or
    ✓ Purchase of Product Form

- Release contract in Contract Module
- Upon Purchasing's approval of contract, you will be sent via email an automated MUNIS notification.
- Once you receive the MUNIS notification, route contract for signature via DocuSign. Include:
    o Routing Slip
- Once you obtain the executed contract, upload executed contract document into Contract Module in MUNIS
- Output/Post contract in Contract Module
- Create Purchase Requisition (PR) linking to contract # in MUNIS - release

Quote Summary Form

Division/Department:

_____

Form completed by: _____

PR# _____	**Bidders' Names:**	*(Vendor 1)*		*(Vendor 2)*		*(Vendor 3)*	
Quote Title: _____ *(Project name)*							
Quote No.		**Unit Price**	**Ext. Price**	**Unit Price**	**Ext. Price**	**Unit Price**	**Ext. Price**
Quote Submittal Deadline:							
1. Descript:	Item 1 price:	$_____	$_____	$_____	$_____	$_____	$_____
	Manufacturer offered by bidder:	Mfg:		Mfg:		Mfg:	
	Model offered by bidder:	Mdl:		Mdl:		Mdl:	
2. Descript:	Item 2 price:	$_____	$_____	$_____	$_____	$_____	$_____
	Manufacturer offered by bidder:						
	Model offered by bidder:	Mdl:		Mdl:		Mdl:	
3. Descript:	Item 3 price:	$_____	$_____	$_____	$_____	$_____	$_____
	Manufacturer offered by bidder:	Mfg:		Mfg:		Mfg:	
	Model offered by bidder:	Mdl:		Mdl:		Mdl:	
4. Descript:	Item 4 price:	$_____	$_____	$_____	$_____	$_____	$_____
	Manufacturer offered by bidder:	Mfg:		Mfg:		Mfg:	
	Model offered by bidder:	Mdl:		Mdl:		Mdl:	
5. Descript:	Item 5 price:	$_____	$_____	$_____	$_____	$_____	$_____
	Manufacturer offered by bidder:	Mfg:		Mfg:		Mfg:	
	Model offered by bidder:	Mdl:		Mdl:		Mdl:	
	Sub-Total:		$_____		$_____		$_____
	Shipping & Handling, if any		$_____		$_____		$_____
	Add tax at current rate (9.75%)		$_____		$_____		$_____
	Grand Total		$		$		$

Notes: _____

_____

_____

_____

Justification for Utilizing a Piggyback Contract

Piggyback or Lead Agency: _____

Contract No./Description: _____

Vendor(s) Name(s): _____

We have reviewed and completed due diligence on the aforementioned piggyback contract. As part of the due diligence review, we have confirmed that the contract complies with our procurement rules and practices. We have further confirmed that all purchases will comply with the terms and prices in the contract. It has been determined that it is in the best interests of the City to utilize this contract for the reasons cited below:

Item	Issue	Comments
1	Is there a Piggyback Purchase Agreement allowing use of the contract? If "Yes", please attach to this form.	
2.	Are there local suppliers or contractors who could provide the product or service at competitive rates?	
3.	A copy of the solicitation has been obtained from the originating agency and reviewed for compliance with the City's purchasing ordinance. Please attach to this form.	
4.	A written documentation has been made of a thorough investigation of the *current* market and determination that the originating agency's' solicitation is the most advantageous	
5.	Does the cooperative contract provide the most advantageous solution? Why? *Factors may include advantageous terms, conditions, prices, quality, performance, timing, experience & ability to perform etc.*	
6.	The specifications of the item or service required by the City are not materially different from those originally specified in the originating agency's solicitation	
7.	The price of the purchase is lower than that estimated for the purchase if made directly by the City pursuant to the purchasing ordinance	
8.	The price of the purchase is within fifteen percent (15%) or $2,500 of the originating agency's solicitation	
9.	The contract resulting from the original solicitation is current or the solicitation is within thirty-six (36) months from the date of the City's order, or written justification is provided justifying use of an older solicitation	

_____   _____

Signature   Date   Buyer Name

_____   _____

Signature   Date   Department Head Name

_____   _____

Signature   Date   Finance Director Name

New:
Renewal:

INSURANCE CHECKLIST

7. Insurance Approval Checklist Form

Email documents to: Insurance_Request@ci.richmond.ca.us

CONTRACTOR: _____   DATE OF CONTRACT: _____   P.O. # _____

DEPARTMENT: _____   REQUESTOR & PHONE #: _____   CONTRACT TYPE: _____

DESCRIBE PROJECT / WORK: _____

_____

Required? Yes No	Type of Insurance	Insurance Company Name	Policy Number	Expiration Date	Per Occurrence Insurance Limit	Endorsement Attached? Yes No	Request Waiver
	General Liability						
	Auto Liability						
	Excess/Umbrella Liability						
	Workers' Compensation						
	Professional Liability						

APPROVED: _____   DATE: _____
Authorized Risk Management Signature

Risk Management Use Only
Waiver Approved: Yes: No: N/A: