



# CITY OF BANDERA

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511 Main St. • PO Box 896 • Bandera, Texas 78003-0896 • P: (830) 796-3765

## REQUEST FOR PROPOSALS

### Independent Audit Services July 31, 2018

The City of Bandera, Texas (the "City") is soliciting Request for Proposals (RFP) and Statement of Qualifications from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending September 30, 2018. It is anticipated that the term of the audit agreement will not exceed five (5) years.

The audits are to be performed in accordance with generally accepted auditing standards and the standards set forth for financial audits in the U.S. General Accounting Office's *Government Auditing Standards*. There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals to respond to this request. During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

Two (2) copies of sealed proposals, along with one (1) unbound original copy, suitable for reproduction by the City, clearly marked "Independent Audit Services – Do Not Open" should be delivered to City Hall no later than 2:00 pm, on Friday, August 31, 2018 at the following address: City of Bandera, 511 Main Street, PO Box 896, Bandera, Texas 78003. No proposals will be accepted after 2:00 pm. Late proposals will be returned, unopened, to the proposer. No electronic submissions will be accepted.

Upon consideration of the proposals, the City reserves the right to accept or to reject any and all proposals, to waive technicalities, and to make any investigation deemed necessary concerning the proposer's ability to provide the services as covered by the specifications, and to accept what in their judgment is the most advantageous proposal.

Complete specifications may be obtained by contacting me at the address and/or phone number above during normal working hours.

The City is an Affirmative Action/Equal Opportunity Employer. Small minority-owned and female-owned consultants or firms are encouraged to submit qualifications.

  
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J. Herry, City Administrator

## INQUIRIES:

Inquiries concerning this RFP must be submitted prior to 5:00 pm on August 24, 2018. All inquiries should be emailed to the City Administrator at [CityAdmin@cityofbandera.org](mailto:CityAdmin@cityofbandera.org).

**Deadline:** Friday, August 31, 2018, at 2:00 pm

**Submit Proposals to:** City Administrator J. Horry  
511 Main Street, PO Box 896  
Bandera, Texas 78003

## DESCRIPTION OF THE ENTITY:

The City provides a full range of municipal services contemplated by statute or charter. These include public safety (marshals), public works (street maintenance, water and wastewater services), community development (code enforcement, zoning, and building inspection), recreation and leisure (parks and recreation), and other general administrative services. The City operates a water treatment and distribution system and sewer collection and treatment system. A contract has been awarded to a privately-owned firm for solid waste collection and disposal services.

The City is located in Bandera County and is a Type A General Law City. The Order of Incorporation was signed in 1963, and the first election of Mayor and Aldermen took place on February 21, 1964. The City operates under an aldermanic form of government, with the City Council comprised of six members including the mayor. The City Council is responsible for adopting ordinances and regulations governing the City, adopting the budget, determining policies, and appointing the City Administrator, who is responsible to the Council for appointing and supervising employees of the City.

The City Treasurer is the City's chief financial officer responsible for all financial accounting and reporting activities of the City. The City Treasurer has overall responsibility for the following functions: Utility Accounting, General Fund Accounting, Payroll, Accounts Payable, Accounts Receivable, Capital Assets, Municipal Court, Information Systems, Purchasing, Risk and Cash Management, Investments, and Grants. The City's accounting records are maintained at 511 Main Street, Bandera, Texas. The City Treasurer and staff will prepare the trial balances and work papers for the preparation of financial statements. **The Auditors will prepare and compile all financial statements, schedules and disclosure notes in the financial section of the Comprehensive Annual Financial Report (CAFR). The introductory and statistical sections of the CAFR will be prepared by the Auditors with assistance from the City Treasurer. The Auditors will be responsible for printing and binding the CAFR and agrees to provide the City with a print-ready version of the CAFR in .pdf format.** The City Treasurer will prepare all audit confirmations and be available to the Auditors for the purpose of pulling invoices, directing Auditors to the proper files, or for explaining procedures.

## SCOPE OF SERVICES AND REPORTS TO BE ISSUED:

1. Audit the financial statements of the City for the fiscal year ending September 30, 2018. The audit should be performed in accordance with generally accepted auditing standards in the United States and with generally accepted government auditing standards issued by the Texas State Comptroller Office. Accordingly, the proposer will report on the entity's financial

statements, the City's internal control over financial reporting, and the proposer's tests of compliance with applicable laws and regulations.

2. Following the completion of the audit of the fiscal year's financial statements, Auditor shall issue all reports currently required by State and Federal grantors and by regulatory bodies such as the American Institute of Certified Public Accountants, the Governmental Accounting Standards Board, the Government Finance Officers Association of the United States and Canada, and any other regulatory agencies. The Auditor shall likewise issue any other reports subsequently required by these or similar entities following completion of the financial or single audit in separate reports. Auditor shall take responsibility for the fair presentation of financial data accompanying official statements.
3. In the required reports on internal controls, the Auditor shall communicate any reportable conditions found during the audit to the City Treasurer and City Administrator. 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.
4. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the City Administrator and City Treasurer. Auditors shall also provide training to accounting staff of any irregularities.
5. Auditors shall assure themselves that the City of Bandera's Mayor and Council are informed of all items required by the regulatory agencies, including:
  - a. Auditor's responsibility under generally accepted and government accounting standards.
  - b. Significant accounting policies.
  - c. Management judgments and accounting estimates.
  - d. Significant audit adjustments.
  - e. Other information in documents containing audited financial statements.
  - f. Disagreements with management.
  - g. Management consultation with other accountants.
  - h. Major issues discussed with management prior to retention.
  - i. Difficulties encountered in performing the audit.
6. Auditors shall agree to provide the City with information relating to regulation changes that would affect the City and its operation such as timely notification of changes proposed or initiated by GASB or GAO.

## **OTHER INFORMATION AND REQUIREMENTS:**

License to Practice in Texas. An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered and licensed to practice in the state of Texas.

Insurance Requirements. Respondents should confer with their respective insurance carriers or brokers to determine in advance of proposal submission the availability of prescribed insurance certificates and endorsements. Failure to comply with the insurance requirements may disqualify an award. Upon award, all insurance requirements shall become contractual obligations that the Auditor shall have a duty to maintain throughout the course of this contract. Without limiting any of its other obligations or liabilities, the Auditor shall provide and maintain until the contracted work has been completed and accepted by the City, the minimum insurance coverage as indicated hereinafter:

- a. Workers' Compensation: State statutory limits.
- b. Employer's Liability: \$1,000,000 each occurrence
- c. Comprehensive General Liability: \$1,000,000 in the aggregate
- d. Professional Liability: \$1,000,000 minimum with terms and conditions acceptable to City
- e. Errors and Omissions: \$1,000,000 in the aggregate

Certificates of Insurance. After notification of award, Auditor shall file with the City Treasurer certificates of insurance satisfactory to the City.

Equal Employment Opportunity. Auditor agrees that during the performance of its contact it will treat all applicants and employees without discrimination as to race, color, religion, sex, national origin, marital status, age or handicap.

## **EVALUATION CRITERIA AND SELECTION PROCEDURES:**

The following criteria will be used as a basis in evaluating qualifications (100 points) based upon the weighting indicated below.

1. Experience of the Managing Partner and other key individuals. (40 points)
2. Results of reference checks. (35 points)
3. Clarity of proposal. (25 points)

The City's appointed selection committee for this solicitation will review all submissions. The City will enter into negotiations with the best and most qualified firm for compensation and other relevant issues. In the event the City is unable to negotiate a mutually acceptable contract with the best and most qualified firm, it reserves the right to terminate negotiations with the first choice and enter into negotiations with the second most best and qualified firm.

The City reserves the right to extend the due date for the RFP, to accept or reject any or all proposals received as a result of this request, to negotiate with any respondent, or to cancel this RFP in part or in its entirety. The City may require the selected consultant to participate in negotiations and to submit such technical, fee, or other revisions as may result from negotiations.