

REQUEST FOR PROPOSALS

Sealed proposals, plainly marked, addressed to the Colorado County Auditor, will be received at the office of the County Auditor at 318 Spring Street, Suite 104, Columbus, Texas until 2:00 p.m., Wednesday, August 31, 2022 and then publicly opened and acknowledged in the Colorado County Annex at Columbus, Texas for the following: Audit of the financial statements of Colorado County, Texas for the fiscal years ending December 31, 2022, 2023, and 2024. Specifications to be obtained from the County Auditor's Office, (979/732-2791) or the County's website at www.co.colorado.tx.us). Selection of a firm may be completed at the September 12, 2022 Commissioners' Court Meeting at the regular meeting place of said Court in the County Courtroom at Columbus, Texas.

The Commissioners' Court reserves the right to waive all technicalities and the right to reject any and all proposals.

By Order of the Commissioners' Court dated July 25, 2022.



REQUEST FOR PROPOSAL

FOR

AUDITING SERVICES

RESPONSES DUE: August 31. 2022 by 2 pm

County Contact Information:

Raymie Kana, County Auditor
Colorado County, Texas
Raymie.kana@co.colorado.tx.us
318 Spring Street, Suite 104
Columbus, Texas 78934

REQUEST FOR PROPOSAL

Date Due: August 31, 2022 no later than 2:00 P.M. Proposals received later than this date and time will not be considered. Proposals will be received and publicly acknowledged by the Colorado County Auditor's office at the Colorado County Annex at 2:05 P.M. in the small conference room. (Suite 111)

Carefully read all instructions, requirements and specifications. Fill out all forms properly and completely. Submit **one original and two (2) copies** of your proposal with all appropriate supplements and or samples, either in hard copy or electronically.

Be sure that return envelope **IS MARKED "SEALED PROPOSAL- FINANCIAL AUDIT SERVICES."**

**RETURN PROPOSAL TO:
Colorado County Auditor
318 Spring St., Suite 104
Columbus, Texas 78934**

Proposals submitted electronically should be sent to raymie.kana@co.colorado.tx.us.

Please have the subject line read "Financial Audit Services".

For additional information, contact [Raymie Kana at \(979\) 732-2791](tel:9797322791)

You must sign below in INK; failure to sign WILL disqualify the offer. All prices must be typewritten or written in ink.

Company Name: _____

Company Address: _____

City, State, Zip Code: _____

Taxpayer Identification Number (T.I.N) _____

Telephone No. _____ FAX No. _____ E-mail _____

Print Name: _____ Signature: _____ Date: _____

(Your signature attests to your offer to provide the goods and/or services in this proposal according to the published provisions of this Job. When an award letter is issued, it becomes a part of this contract.)

Disclosure Requirements

Chapter 176 of the Texas Local Government code mandates the public disclosure of certain information concerning persons doing business or seeking to do business with Colorado County, including affiliations and business and financial relationships such persons may have with Colorado County officers. An explanation of the requirements of Chapter 176 is located at <https://statutes.capitol.texas.gov/Docs/LG/htm/LG.176.htm>. A list of County officials is located at www.co.colorado.tx.us. The disclosure form is included in this packet. Please complete with your response.

By doing business or seeking to do business with Colorado County, you acknowledge that you have been notified of the requirements of Chapter 176 of the Texas Local Government Code and that you are solely responsible for complying with them.

TABLE OF CONTENTS

A. GENERAL INFORMATION

Colorado County's intent of this Request for Proposal is to obtain proposals from qualified firms of certified public accountants, with extensive experience in the Auditing Services for government agencies, to audit its financial statements as detailed in this request for proposal for the following fiscal years:

Fiscal Year Ending December 31, 2022
Fiscal Year Ending December 31, 2023
Fiscal Year Ending December 31, 2024

The sealed proposal shall be submitted to:

Raymie Kana
Colorado County Auditor
318 Spring St., Suite 104
Columbus, Texas 78934

Electronically submitted proposals shall be submitted to:

Rayme.kana@co.colorado.tx.us

There is no expressed or implied obligation for Colorado County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Proposals submitted will be evaluated by the Auditor's office, which will make a recommendation to the Commissioners' Court for its consideration and subsequent selection.

During the evaluation process, the Auditor's office and the Commissioners' Court, reserve the right, where it may serve the County's best interest, to request additional information or clarifications from offeror, or to allow corrections of errors or omissions. The award of the contract shall be made to the responsible offeror resulting from negotiations, taking into consideration the relative importance of price and other factors set forth in the RFP in accordance with the Texas Local Government Code, Chapter 262.

Colorado County 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 at a minimum acceptance by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County and the firm selected.

A proposal may not be withdrawn or canceled by the offeror for a period of ninety (90) days following the date designated for the receipt of proposal, and offeror so agrees upon submittal of their proposal. Any proposal alteration, interlineations, or erasure made before receiving time must be initialed by the signer of the proposal, guaranteeing authenticity.

Proposals will be received and publicly acknowledged at the location, date, and time stated on the cover page. Offeror, their representatives and interested persons may be present. Proposals shall be received and acknowledged only so as to avoid disclosure of the contents to competing offerors and kept secret during the negotiation/evaluation process. (**Reference 262.030**). However, all proposals shall be open for public inspection after the contract is awarded, except for confidential information contained in the proposal so identified by offeror as such.

It is anticipated the selection of a firm will be completed by September 12, 2022.

B. TERM OF ENGAGEMENT

The contract will be subject to the annual review and recommendation of the Auditor's office and the Commissioners Court, the satisfactory negotiation of terms (including a price acceptance to both Colorado County and the selected firm), and the annual availability of budgeted appropriations.

C. EVALUATION CRITERIA AND FACTORS

The award of the contract shall be made to the responsible offeror whose proposal is determined to be the lowest evaluated offer resulting from negotiations, taking into consideration the relative importance of price and other factors set forth in the Request for Proposals in accordance with the Texas Local Government Code, Chapter 262. The evaluation criteria will be grouped into factors as follows:

Offeror's total proposed price

1. Total costs of proposal
2. Cost proposal's compliance with minimum specifications
3. Cost proposal's compatibility with owner stated purpose

Offeror's Qualifications/Experience

1. Demonstrated prior experience in providing similar services
2. Capability to provide responsive service
3. Offeror's ability to perform

The proposed services meeting Colorado County's needs and requirements

1. Adherence to requirement of RFP
2. Offeror's responsibility clearly defined
3. Colorado County's participation and responsibility clearly defined
4. Demonstrated ability to fully meet the needs of Colorado County

SPECIFICATIONS AND REQUIREMENTS OF SERVICES TO BE RENDERED INDEPENDENT AUDIT SERVICES

A. GENERAL

These audits are to be performed in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants, the AICPA Industry Audit Guide, Audits of State and Local Governments, the standards set forth for financial audits in the Government Auditing Standards, issued by the Comptroller General of the United States of America, the requirements of the State and Federal Single Audit Act as set forth in OMB Circular A -133, and the provisions of the General Accounting Standards Board Statement number 34, as well as the following additional requirements.

B. REPORT PREPARATION

The writing and preparation of the comprehensive annual financial report shall be the responsibility of the independent auditor. The independent auditor shall be required to transfer Colorado County's financial information from Cash Basis Accounting to GASB compliant. The independent auditor shall provide **ten (10)** copies of the written report along with an electronic copy. The independent auditor will be required to present the audit report to the Commissioner's Court during a regular meeting.

C. RETENTION AND AVAILABILITY OF WORKING PAPERS

The auditing firm must retain the audit working papers for a period of not less than five years after the date of the auditor's opinion or until notified that all cognizant agency reviews have been accomplished. The County reserves the right to request copies of selected work papers and schedules as legitimate needs arise for no additional fees other than actual reproduction costs.

D. EXPERIENCE AND LOCAL PRESENCE

The proposing firms are to possess substantial experience in governmental auditing and accounting and must have access to the resources necessary to address technical issues that may arise during the course of the engagement.

The firms are also expected to have and maintain a local presence capable of staffing the engagement. Working papers, ledgers, reports, etc. cannot be removed to the offeror's office. Therefore, offeror must assign sufficient staff to conduct the audit in Colorado County offices. Offeror must also provide or assign staff to answer questions and work with Colorado County throughout the year.

E. KEY PERSONNEL

Prior to beginning the work, the proposing firms will designate the personnel and commit to using those individuals to perform the County's audit. Audit partner, manager, and site supervisor shall be specifically identified.

F. STAFFING PATTERNS AND ASSIGNMENTS

The overriding consideration in making staff assignments to the County's audit should be to assign those individuals whose skills best fit the audit requirements. However, in making assignments, the offeror should utilize the same standards of quality in terms of skill and expertise afforded to its other governmental and commercial clients.

G. INSURANCE

Proposing firm shall provide proof of Errors and Omissions Liability Insurance of at least \$1,000,000 aggregate per year with proposal.

BACKGROUND INFORMATION INDEPENDENT AUDIT SERVICES

A. CONTACT PERSON

The external auditor's principal contact with Colorado County will be:

Raymie Kana
County Auditor
318 Spring St., Suite 104
Columbus, Texas 78934
(979) 732-2791

Raymie.kana@co.colorado.tx.us

B. ASSISTANCE TO BE PROVIDED TO THE INDEPENDENT AUDITOR

Interested offerors who wish to obtain prior years audit reports, or needing additional information about the RFP, or the operations of the County may contact:

Raymie Kana
County Auditor
(979) 732-2791

Raymie.kana@co.colorado.tx.us

The County Auditor's staff will provide computer-generated ledgers, trial balances and any other audit schedules, which can be generated through the current software applications. Due to time constraints and a limited staff, discretion to provide or assist in the preparation of audit work papers and schedules rests solely with the County Auditor.

AUDIT SCHEDULE INDEPENDENT AUDIT SERVICES

A. Comprehensive Annual Financial Report

The offeror will provide a schedule outlining date offeror is available to begin audit (including any interim fieldwork to be completed before the fiscal year end), date fieldwork shall be completed, date draft reports shall be submitted and date final report will be delivered for the 2022 audit. A similar outline for subsequent audit years shall be submitted and will be subject to the County Auditor's approval.

SUBMITTAL

For proper comparison and evaluation, Colorado County requests that proposals be organized in the manner stated below.

Title Page

Show the RFP subject, the name of the offeror's firm, address, telephone number, name of the contact person, and the date.

Table of Contents

Include a clear identification of the material by section and by page number.

Letter of Transmittal

Limit to one or two pages.

A statement that the offeror will perform the work stated in these specifications and that the services provided will conform in all aspects to the requirement stated within this RFP.

State that the person signing the letter will be authorized to bind the offer.

Scope and Audit Approach

Describe the scope of the required services to be provided in terms of the matter discussed in the preceding sections. The offeror's specific audit approach should be set forth in the proposal and should include an explanation of the audit methodology to be followed.

Summary of Offeror's Qualifications

Briefly describe the firm, location, and range of activities engaged in the practice of public accountancy.

Confirm that offerors are certified public accountants presently engaged in the practice of public accountancy.

Affirm that offerors are independent.

Identify the Partner and Manager who will work on the audit. Include a resume for each supervisory person to be assigned to the audit.

Include information, which attests to the offeror's auditing experience, particularly in auditing counties in Texas. Specifically, include a reference list of local government audit clients and any GFOA certificates of achievement for excellence in financial reporting awarded.

A statement outlining the audit schedule and a proposed time frame.

Affirm that the offeror has completed external quality review with unqualified opinion.

Examination Approach and Compensation

Summarize the work plan to accomplish the scope defined in these guidelines and the maximum fee for which the requested work will be done. Include detail of price including the number of staff and staff hours that will be committed to the audit. Costs should be stated for the following:

1. Professional services to perform the audit.
2. Single Audit procedures and reporting as required.
3. Preparation of the Comprehensive Annual Financial Report.
4. Review and response of GFOA certification comments.
5. Services to reconcile and adjust fund balances for proper reporting.

References

Offeror shall submit with this proposal a list of at least five (5) references where like services have been performed by their firm, as required on the attached Reference Form. Include name of firm, address, telephone number and name of representative. List at least three current clients and two previous clients.

ADDITIONAL INFORMATION INDEPENDENT AUDIT SERVICES

Colorado County's budget for 2022 was \$ 21,146,000. We maintain a General Fund, 20 Special Revenue Funds, 1 Debt Service Fund and 10 Custodial Funds. More detailed information on the government and its finances can be found within the last ACFR located on the County's website at www.co.colorado.tx.us.

Colorado County has approximately 26 departments headed by elected and appointed officials.

The County is structured so that cash collections are decentralized. The Colorado County Treasurer maintains 4 bank accounts, the Tax Assessor/Collector maintains 4 bank accounts, the Sheriff's Office maintains 4 bank accounts, and the Justice of the Peace maintains 2 bank accounts while the County and District Clerks maintain 4 bank accounts plus numerous Trust Fund accounts. The County Attorney maintains 4 bank accounts.

A single audit of grants must be performed in conjunction with the financial audit if the audit firm determines that the County meets the requirements.

Employees participate in the Texas County and District Retirement System. The Commissioners' Court establishes the level of participation annually. Participation in the plan is required. Actuarial services for the plan are provided by the Texas County and District Retirement System and are usually available in July of each year.

Permanent full-time employees who retire drawing a monthly county pension from TCDRS are eligible to participate in the TAC HEBP health care plan at the expense of the retiree. A third party actuary does the analysis of Post-employment benefits (OPEB) every two years.

The Colorado County Auditor manages Colorado County's payroll with approximately 190 employees on a semi-monthly basis.

The County had outstanding debt of \$4,480,000 as of December 31, 2021.

The County's Certified Investment Officer handles all investments of idle funds.

Computer systems operate on onsite servers. Colorado County's financial software package is through Hill Country.

**VENDOR REFERENCES
INDEPENDENT AUDIT SERVICES**

Please list three (3) references of current customers who can verify the quality of service your company provides. The County prefers customers of similar size and scope of the work to this proposal. **THIS FORM MUST BE RETURNED WITH YOUR PROPOSAL.**

REFERENCE ONE

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE TWO

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE THREE

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE FOUR

Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE FIVE

Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;
- or
- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

- (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
- (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

- (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
- (B) that the vendor has given one or more gifts described by Subsection (a); or
- (C) of a family relationship with a local government officer.

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____ (street) _____ (city) _____ (state) _____ (zip code) _____ (country).

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

Executed in _____ County, State of _____, on the _____ day of _____, 20____.
 (month) (year)

 Signature of authorized agent of contracting business entity
 (Declarant)

ADD ADDITIONAL PAGES AS NECESSARY

RESIDENCE CERTIFICATION

Pursuant to Texas Government Code 2252.001 *et seq.*, as amended, Colorado County requests Residence Certification. 2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of a governmental contract; pertinent provisions of 2252.001 are stated below:

"Nonresident bidder" refers to a person who is not a resident

"Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

I certify that _____ is a Resident Bidder of
(Company Name)
Texas as defined in Government Code 2252.001

I certify that _____ is a Nonresident Bidder of
(Company Name)
Texas as defined in Government Code 2252.001 and our principal place of business is
located in _____.
(City and State)

Signature of Authorized Company Official

Printed Name of Authorized Company Official