

**REQUEST FOR PROPOSAL (RFP)
FOR
MUNICIPAL AUDIT SERVICES
RFP #2021-01**



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REQUEST FOR PROPOSALS

The City of Alton is soliciting sealed Request for Proposals; hereinafter referred to as RFP to be received by Jeff Underwood, City Manager, at 509 S. Alton Blvd., Alton, Texas 78573. City of Alton normal business days are Monday through Friday between the hours of 8:00 a.m. to 5:00 p.m. and shall be closed on recognized holidays.

RFPs will be received until **3:00 p.m. Central Time**, on **Friday, September 10, 2021**, shortly thereafter all submitted RFPs will be gathered and taken to the City's Conference Room, to be publicly opened and read aloud. Any RFP received after the closing time will not be accepted and will be returned to the submitter unopened. It is the responsibility of the submitter to see that any RFP submitted shall have sufficient time to be received by the City prior to the RFP opening date and time. The receiving time at the City Hall Front Desk will be the governing time for acceptability of the RFPs. RFPs will not be accepted by telephone or facsimile machine. All RFPs must bear original signatures and figures. The RFP shall be for:

RFP # 2021-01 MUNICIPAL AUDIT SERVICES

Respondents receiving a "NOTICE TO RESPONDENTS" and/or "REQUEST FOR PROPOSAL" notice in the mail or reading same in the newspaper are advised that the solicitation documents can be downloaded from the City of Alton web page address: www.alton-tx.gov, or may obtain copies of same by contacting the office of: ROSIE TELLO, FINANCE DIRECTOR, LOCATED AT 509 S. ALTON BOULEVARD, ALTON, TX 78573 by calling (956) 432-0760 or by e-mailing your request to the following e-mail address: rosie.tello@alton-tx.gov

Hand Delivered RFPs:

509 S. Alton Boulevard
C/o Jeff Underwood

If using Land Courier (i.e. FedEx, UPS):

City of Alton
C/o Jeff Underwood
509 S. Alton Boulevard
Alton, Texas 78573

If Mailing Proposals:

City of Alton
C/o Jeff Underwood
509 S. Alton Boulevard
Alton, Texas 78573

The City of Alton reserves the right to refuse and reject any or all RFPs and to waive any or all formalities or technicalities and to accept the RFP deemed most advantageous to the City, and hold the RFPs for a period of **60** days without taking action.

RFPs must be submitted in an envelope sealed with tape and prominently marked on the lower left hand corner of the envelope with corresponding RFP number and title.

Please read your requirements thoroughly and be sure that the RFP offered complies with all requirements/specifications noted. Any variation from the solicitation requirements/specifications must be clearly indicated by letter, on a point by point basis, attached to and made a part of your RFP. If no exceptions are noted, and you are the successful respondent, it will be required that the service(s) be provided as specified.

PURPOSE

(1) The purpose of these solicitation documents is to execute a Professional Services Contract for:

**RFP # 2021-01
MUNICIPAL AUDIT SERVICES**

INTENT

(2) The services to be provided under this RFP shall be in accordance with and shall meet all specifications and/or requirements as shown in this solicitation for RFP. There is no intention to disqualify any respondent who can meet the requirements.

SUBMITTAL OF RFP

(3) RFPs shall be submitted in sealed envelopes as called referenced on the attached solicitation. Three (3) complete sets of the response, one (1) original marked "**ORIGINAL**" and two (2) copies marked. RFPs submitted by facsimile (fax) or electronically shall **NOT** be accepted. Submittal of an RFP in response to this solicitation constitutes an offer by the respondent. Once submitted, RFPs become the property of the City of Alton and as such the City reserves the right to use any ideas contained in any RFP regardless of whether that respondent/firm is selected. Submission of a RFP in response to this solicitation, by any respondent, shall indicate that the respondent(s) has/have accepted the conditions contained in the RFP, unless clearly and specifically noted in the RFP submitted and confirmed in the contract between the City and the successful respondent otherwise. RFPs which do not comply with these requirements may be rejected at the option of the City. RFPs must be filed with the City of Alton before the deadline day and hour. No late RFPs will be accepted. They will be returned to respondent unopened (if properly identified). Failure to meet RFP requirements may be grounds for disqualification.

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TIME ALLOWED FOR ACTION TAKEN

(4) The City of Alton may hold RFPs 60 days after deadline without taking action. Respondents are required to hold their RFPs firm for same period of time.

RIGHT TO REJECT/AWARD

(5) The City of Alton reserves the right to reject any or all RFPs, to waive any or all formalities or technicalities, and to make such awards of contract as may be deemed to be the best and most advantageous to the City of Alton.

ASSIGNMENT

(6) Respondents are advised that the City of Alton shall not allow the successful respondent to sell, assign, transfer, or convey any part of any contract resulting from this RFP in whole or in part, to a third party without the written approval of the City of Alton.

AWARD

(7) Respondents are advised that the City of Alton is soliciting RFPs and award shall be made to the respondent that in the opinion of the City of Alton is the best qualified.

NUMBER OF CONTRACTS

(8) THE CITY will award one contract in response to this RFP.

STATUTORY REQUIREMENTS

(9) It shall be the responsibility of the successful respondent to comply with all applicable State & Federal laws, Executive Orders and Municipal Ordinances, and the Rules and Regulations of all authorities having jurisdiction over the work to be performed hereunder and such shall apply to the contract throughout, and that they will be deemed to be included in the contract as though written out in full in the contract documents.

ALTERATIONS/AMENDMENTS TO RFP

(10) RFP cannot be altered or amended after opening time. Alterations made before opening time must be initialed by respondent guaranteeing authenticity. No RFP may be withdrawn after opening time without acceptable reason in writing and only after approval by the City of Alton.

LIST OF EXCEPTIONS

(11) The respondent shall attach to his/her RFP a list of any exceptions to the specifications/requirements.

PAYMENT

(12) The City of Alton will execute payment by mail in accordance with the State of Texas Pay Law after SERVICES have been completed, introduced to the City, and found to meet City of Alton specifications/requirements. No other method of payment will be considered.

SYNONYM

(13) Where in this solicitation package SERVICES is used, its meaning shall refer to the Request for Proposal for **MUNICIPAL AUDIT SERVICES** as specified.

RESPONDENT'S EMPLOYEES

(14) Neither the Respondent nor his/her employees engaged in fulfilling the terms and conditions of this Service Contract shall be considered employees of the City. The method and manner of performance of such undertakings shall be under the exclusive control of the vendor on contract. The City shall have the right of inspection of said undertakings at any time.

INDEMNIFICATION CLAUSE

(15) The Respondent agrees to indemnify and save harmless the City, from all suits and actions of every nature and description brought against them or any of them, for or on account of the use of patented appliances, products or processes, and he shall pay all royalties and charges which are legal and equitable. Evidence of such payment or satisfaction shall be submitted upon request of the Finance Director, as a necessary requirement in connection with the final estimate for payment in which such patented appliance, products or processes are used.

INTERPRETATIONS

(16) Any questions concerning the specifications/requirements with regards to this solicitation for request of proposals shall be directed to the designated individuals as outlined in the RFP. Such interpretations, which may affect the eventual outcome of this request for proposals, shall be furnished in writing to all prospective Respondents via Addendum. No interpretation shall be considered binding unless provided in writing by the City of Alton in accordance with paragraph entitled "**Addenda and Modifications**".

VERBAL THREATS

(17) Any threats made to any employee of the City, be it verbal or written, to discontinue the providing of item/material/services for whatever reason and/or reasons shall be considered a breach of contract and the City will immediately sever the contract with the Respondent/Consultant on contract.

CONFIDENTIAL INFORMATION

(18) Any information deemed to be confidential by the respondent should be clearly noted on the pages where confidential information is contained; however, the City cannot guarantee that it will not be compelled to disclose all or part of any public record under Texas Public Information Act, since information deemed to be confidential by the respondent may not be considered confidential under Texas Law, or pursuant to a Court order.

PAST PERFORMANCE

(19) Respondent's past performance shall be taken into consideration in the evaluation of a RFP submittal.

JURISDICTION

(20) Contract(s) executed as part of this solicitation shall be subject to and governed under the laws of the State of Texas. Any and all obligations and payments are due and performable and payable in Hidalgo County, Texas.

VENUE

(21) The parties agree that venue for purposes of any and all lawsuits, cause of action, arbitration, and/or any other dispute(s) shall be in Hidalgo County, Texas.

CONFLICT OF INTEREST

(22) CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of the City of Alton not later than the 7th

business day after the date the person becomes aware of facts that require the statement be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor. For more information or to obtain Questionnaire CIQ visit the Texas Ethics Commission web page at www.ethics.state.tx.us/forms/CIQ.pdf.

IF YOU HAVE ANY QUESTIONS ABOUT COMPLIANCE, PLEASE CONSULT YOUR OWN LEGAL COUNSEL. COMPLIANCE IS THE INDIVIDUAL RESPONSIBILITY OF EACH PERSON OR AGENT OF A PERSON WHO IS SUBJECT TO THE FILING REQUIREMENT. AN OFFENSE UNDER CHAPTER 176 IS A CLASS "C" MISDEMEANOR.

CONFIDENTIALITY OF INFORMATION AND SECURITY

(23) Should the successful respondent become the holder of and have access to confidential information in the process of fulfilling its responsibilities in connection with an awarded contract the successful respondent agrees that it shall keep such information confidential and will comply fully with the laws and regulations of the State of Texas, ordinances and regulations of the City, and any applicable federal laws and regulations relating to confidentiality.

TERMINATION OF CONTRACT

(24) The City of Alton reserves the right to terminate the contract if, in the opinion of the City of Alton, the successful vendor's performance is not acceptable, no funds are available, or if the City wishes, without cause, to discontinue this contract. Termination will be in written form allowing a 30-day notice.

RESPONSE DEADLINE

(25) Responses to the RFP must be addressed to Jeff Underwood, City Manager, City of Alton, 509 S. Alton Boulevard by **September 10, 2021 until 3:00 p.m.** for consideration. Three (3) complete sets of the response, one (1) original marked "**ORIGINAL**" and two (2) copies marked, must be submitted no later than this date and time in a **sealed envelope** indicating that its contents are in response to the RFP for "**MUNICIPAL AUDIT SERVICES**". **Respondents are advised that all confidential records must be submitted in a separate sealed envelope and marked accordingly.**

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ADDENDA AND MODIFICATIONS

(26) Any changes, additions, or clarifications to the RFP are made by amendments (addenda). Any respondent in doubt as to the true meaning of any part of the RFP or other documents may request an interpretation from the Finance Department. At the request of the respondent, or in the event the Finance Department deems the interpretation to be substantive, the interpretation will be made by written addendum. Said Addenda shall be mailed, e-mailed, hand delivered and/or faxed, to all prospective respondents. All Addenda issued in respect to this RFP shall be considered official changes to the original documents. Verbal statements in response to inquiries and/or requests for explanations shall not be authoritative or binding. It shall be the respondent's responsibility to ensure that they have received all Addenda in respect to this project. Furthermore, respondents are advised that they must recognize, comply with, and attach a signed copy of each Addendum which shall be made part of their RFP Submittal. Respondent(s) signature on Addenda shall be interpreted as the respondent's "recognition and compliance to" official changes as outlined by the City of Alton and as such are made part of the original solicitation documents. Failure of any respondent to receive any such addendum or interpretation shall not relieve such respondent from its terms and requirements. Addendums are available online at www.alton-tx.gov, if needed.

RFP PREPARATION COSTS

(27) The City of Alton shall not be held liable for any costs incurred by any respondent for work performed in the preparation of and production of a RFP or for any work performed prior to execution of contract.

EQUAL EMPLOYMENT OPPORTUNITY

(28) Respondent agrees that they will not discriminate in hiring, promotion, treatment, or other terms and conditions of employment based on race, sex, national origin, age, disability, or in any way violate Title VII of 1964 Civil Rights Act and amendments, except as permitted by said laws.

AUTHORIZATION TO BIND RESPONDENT TO RFP

(29) RFPs must give full firm name and address of respondent, and be manually signed. Failure to do so will disqualify your RFP. Person signing the RFP must show title or AUTHORITY TO BIND HIS/HER FIRM IN A CONTRACT. Firm name and authorized signature must appear on each page that calls for this information. The legal status of the Respondent whether corporation, partnership, or individual, shall also be stated in the RFP. A corporation shall execute the RFP by its duly authorized officers in accordance with its corporate by-laws and shall also list the state in which it is incorporated. A partnership Respondent shall give full names and addresses of all partners. All partners shall execute the RFP. Partnership and Individual Respondent shall state in the proposal the names and addresses of all persons with a vested interest therein. The place of residence of each Respondent, or the office address in the case of a firm or company, with county and state and telephone number, shall be given after the signature.

Confidential Information Respondents are advised that all confidential records must be submitted in a separate sealed envelope and marked accordingly.

GENERAL

The City of Alton’s Finance Department is currently soliciting requests for proposals (RFP) from qualified firms of certified public accountants to audit its financial statements. The term of the contract will be three (3) years with the option to extend for one (1) two-year term, not to exceed a maximum contract period of five (5) years. This document outlines the requirements, selection process and documentation necessary to submit to this Request for Proposal (RFP).

Description of the Municipality

The City of Alton is a home rule City using a modified accrual basis of accounting. The total City budget for 2020-2021 is \$12.5 million administered through 27 funds. The City has approximately 93 full-time employees and 26 part-time or seasonal employees with an estimated payroll of \$4.4 million. More detailed information about the City and its finances can be found in prior CAFR’s and budgets as listed on our website at <https://alton-tx.gov>.

Fund Structure

As of August 2021, the City’s fund structure is as follows:

Fund Type	Number of Individual Funds
General fund	1
Special revenue funds	15
Debt service funds	5
Capital project funds	3
Enterprise funds	2
Fiduciary fund	1

Accounting Information

All primary records of the City are maintained on a computerized accounting system (Tyler Technologies –Incode v9), which is directly interfaced into several supporting subsystems for various modules of accounting source information such as payroll, accounts payable, cash collections, etc. The highest level of financial reporting available is the trial balance at the individual fund level.

SCOPE OF SERVICES

The audit of the financial statements of the City’s governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the City’s basic financial statements, is to be performed in accordance with Generally Accepted Auditing Standards as prescribed by the American Institute of Certified Public Accounts (AICPA), Governmental Accounting Standards Board (GASB), the U.S. General Accounting Office (GAO), Office of Management and Budget (OMB) Circular A-133, and the Provisions of the Single Audit Act Amendments of 1996.

The successful proponent will prepare the required Comprehensive Annual Financial Report (CAFR) along with exhibits to the City for its review and approval. The auditor will also assist management in all aspects associated with the implementation of any new accounting or reporting standard which could

have a material effect on the overall financial statements of the City.

The audit reports must be submitted no later than March 15th of each year. The successful proponent will schedule a time to meet with the City's Finance Director to review the report draft prior to the final report. A minimum of nine (9) bound copies of the final report will be provided to the City.

COST PROPOSAL

Specify the fee for the annual audit for the fiscal years ending September 30, 2021 through September 30, 2023. The cost to perform the Single Audit (if applicable) is to be shown separately. The fee shall be inclusive of all expenses. Cost proposal will constitute an official offer to undertake the proposed work.

Additionally, provide a schedule of charges for on-going consultation with City on auditing, accounting and internal controls matters between audit periods.

PAYMENT

The method of payment to the selected firm will be made upon satisfactory delivery and acceptance of the Comprehensive Annual Financial Report and submission of invoice to the City. Progress payments can be made in accordance with work completed during the course of the engagement.

CONTRACT

Submission of a proposal constitutes an offer to perform the work specified and to be bound by the terms contained or referenced herein. Upon acceptance of the offer, and upon award of the Contract to the successful proponent (if any), this procurement solicitation document (entitled "Request for Proposal") together with the documents listed below shall constitute the Contract.

PROPOSAL REQUIREMENTS

The RFP must be submitted according to the instructions outlined herein. Each response should include, at a minimum, the following items:

1. Transmittal letter – Indicate interest and commitment to perform auditing services for the City of Alton, include contact information (physical address, telephone, fax, cell phone, and email address) for the primary person responsible for your RFP who will be the point of contact for the City on all correspondence and communications pertaining to the RFP. State whether any addendums to this RFP have been received by your firm and whether consideration of their content has been included in your RFP. The letter must be signed by an officer of the firm who is authorized to bind the firm to contract and shall contain a statement to this effect.
2. Firm Qualification and Experience – Discuss the firm's experience and history in performing Municipal Auditing Services in a timely manner, particularly for other governmental agencies in the past five (5) years. Discuss the firm's uniqueness to best perform these services for the City. Identify the office location that will be providing the services.

3. Team Member Qualifications and Experience – Submit resumes summarizing qualifications and experience of engagement partners, manager, key staff and any support staff likely to be assigned to the work.
4. Approach to the Examination – Submit a work plan to accomplish the scope of the audit. The work plan should include time estimates for each significant segment of the work, the staff level to be assigned and the audit tests and procedures to be applied in completing the audit plan.
5. References – Provide at least three references (names and current phone numbers) from recent work similar to the engagement described in this request for proposal.
6. Insurance - Provide information on the types and amounts of insurance carried by the proposer, including General Liability, Auto Coverage, Worker’s Compensation, Professional Liability Coverage and Errors & Omissions. A list of any insurance claims against the firm within the past 5 years.
7. Engagement Letter - When a firm has been selected by the City to perform the above services, that firm will be asked to submit a letter of engagement that includes the scope of work and fees.
8. Presentation – Each firm must submit three (3) bound copies of the RFP. Responses to the RFP must be addressed to Jeff Underwood, City Manager, City of Alton, and received at City Hall, at 509 S. Alton Boulevard, Alton, Texas 78573 by September 8, 2021 and no later than 3:00 pm. Three (3) complete sets of the response no larger than 30 bound pages must be submitted no later than this date and time. The RFP is to be placed in a sealed envelope indicating that its contents are in response to the Request for Proposal for **MUNICIPAL AUDIT SERVICES**.

SELECTION PROCESS

Evaluation will include confirmation by City Staff that respondents have the required certification, license and expertise to render requested services. The evaluation process is intended to select the one best qualified provider.

The selection Committee shall screen and rate all of the respondents that are submitted. Selection ratings will be based on 100-point scale rating and shall be based on the following criteria.

- | | |
|--|-----------|
| a. Overall Qualification of Proposer | 30 points |
| b. Ability to Perform Requested Services | 30 points |
| c. Agreement with Criteria Outlined in RFP | 20 points |
| d. Stability and References | 15 points |
| e. Presentation | 5 points |

After technical qualities have been evaluated, cost and other considerations will be evaluated.

The City may select one (1) firm to provide services based on this evaluation or it may choose to follow up with an interview, if necessary. This process will result in the selection of a firm to provide services.

The City reserves the right to reject any and all RFPs for any reason whatsoever. The City may waive informalities or irregularities in the RFPs received where such is merely a matter of form and not substance, and the correction or waiver thereof is deemed by the City not prejudicial to other RFPs.

After the selection of the most qualified firm, the firm will be asked to submit the letter of engagement that includes the scope of work and fees, and then it will be submitted to the City Commission for approval. If the City and the selected firm cannot successfully negotiate an agreement, then the City will enter into negotiations with the next best qualified firm on the evaluation rating list. This procedure may be repeated until one (1) firm has been selected and approved by the City Commission.

The City currently anticipates conducting the selection process proceeding in accordance with the following list of milestones. This schedule is subject to revision and the City reserves the right to modify this schedule as necessary, in its sole discretion.

RFP Issued	August 24, 2021
Publish RFP	August 27 and September 3, 2021
RFP Submission Deadline (Post Marked or Delivered)	September 10, 2021
RFP Review	September 13-17, 2021
Firms Interviews, if required	September 20-22, 2021
City Commission Selects Firm(s)	September 28, 2021

CITY CONTACT

If you should have any questions regarding the preparation of the RFP contact Rosie Tello, Finance Director at (956) 432-0760 or rosie.tello@alton-tx.gov .