

**Town of Pecos City
Request for Qualifications and Proposals
Annual Financial Audit**

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I. INTRODUCTION

A. General Information

The Town of Pecos City (“City”) is requesting proposals to obtain independent audit services for performance of the City’s annual financial audit for the fiscal years ending September 30, 2017, September 30, 2018 and September 30, 2019, based on satisfactory performance. Proposals must be from qualified and experienced public accounting firms, whose principal officers are independent certified public accountants. These audits are to be performed in accordance with generally accepted auditing standards; the standards set forth for financial audits in the General Accounting Office’s (GAO) Government Auditing Standards; the provisions of the federal Single Audit Act of 1984 (as amended in 1996); and U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*.

B. Proposal Information

Deadline for inquiries is 5:00 p.m. CST, August 4, 2017. **Inquiries** concerning this Request for Proposal (RFP) must be submitted in writing. A written response to the inquiries will be prepared and delivered to all parties receiving this RFP. All inquiries should be directed to the City’s Finance Director, Heather Ramirez at:

Town of Pecos City
110 E. 6th Street
Pecos, Texas 79772
Phone: 432-445-2218
Email: hramirez@pecostx.gov

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

Deadline for Proposals is 3:00 p.m. CST Friday, August 11, 2017. Late proposals will not be considered. Each Respondent shall be solely responsible for ensuring that the City receives the Proposal by the time indicated.

Submit Proposals to:

RFP: Audit Services
Attention: Syra Nichols, City Secretary
110 E. 6th Street
Pecos, Texas 79772

One original and two copies of the Proposal shall be returned in a sealed envelope clearly bearing the name and address of the respondent and “**RFP: Proposal for Town of Pecos City Audit Services**”.

Acceptance - all proposals must include a statement that they are valid for a minimum period of 60 days subsequent to the RFP closing date.

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Term of Engagement - A three-fiscal-year contract is contemplated, subject to the annual review and recommendation of the Director of Finance and City Manager, the satisfactory negotiation of terms (including a price acceptable to both the City and the selected firm), the concurrence of the Town of Pecos City City Council.

Costs related to preparation of a response shall be the responsibility of the Respondent.

Right of rejection - the City reserves the right to reject any or all proposals submitted and to waive any informality in proposals received.

Clarification or additional information requested - 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 Responders, or to allow corrections of errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Right of retention - 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. Submission of a proposal indicates 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 City and the firm selected.

Award - it is anticipated that the City Council will award the contract for Auditing Services at a meeting in the month of August, or as soon thereafter as possible.

Subcontracting – Firms may consider subcontracting portions of the engagement to small audit firms. If this is to be done, that fact, and the name of the proposed subcontracting firms, must be clearly identified in the response. The City reserves the right to approve or disapprove any contemplated subcontractor. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the City. If a subcontractor is used, the successful Responder shall retain sole responsibility for the execution of the terms and conditions of this RFP and the Agreement resulting from this RFP.

II. NATURE OF SERVICES REQUIRED

A. Scope of Work to be Performed

1. Express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.
2. Express an opinion on the fair presentation of the City's combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report (CAFR). However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section of the CAFR.

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3. Perform certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.
4. Audit the schedule of expenditures of federal awards, if it is determined that this audit is necessary.

The auditor shall also be responsible for performing certain limited procedures on management controls on investments and adherence to the City's established investment policies, as required by state law. The investment policy stipulates:

Internal Controls

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to reasonably assure that assets of the City are protected from loss, theft or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and, the valuation of costs and benefits requires ongoing estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- Control of collusion,
- Separation of transaction authority from accounting and record keeping,
- Custodial safekeeping,
- Clear delegation of authority,
- Written confirmation for all transactions, and
- Review, maintenance and monitoring of security procedures both manual and automated.

The external auditor shall include consideration of compliance with state law, including the Public Funds Investment Act, policies and procedures as required.

B. Broadened Engagements

Respondents may be requested to provide other types of services, collectively referred to as "special projects." Examples of such services include additional audits or reviews of specific areas such as the City's utility funds, cost studies, and consulting services. The scope of the City's annual audit and other special projects, which the Auditor may become engaged, can only be broadened with the express written consent of the City. The City retains the right to negotiate fees for work related to any broadened engagement.

C. Auditing Standards to Be Followed

The audit shall be made in accordance with:

1. Generally accepted auditing standards, as adopted by the membership of the American Institute of Certified Public Accountants and the Governmental Accounting Standards Board,
2. Standards for the financial audits set forth in the U.S. General Accounting Office's (GAO) Government Auditing Standards (1994),
3. Provisions of the federal Single Audit Act of 1996 and the provisions of OMB Circular A-

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133, Audits of State and Local Government, and

4. State and Federal Laws or regulations.

D. Reports to Be Issued

1. An opinion on the fair presentation of the City's basic financial statements in conformity with generally accepted accounting principles.
2. OMB Circular A-133 opinion, as required.
 - Report on the status of internal controls relative to the financial statements and major programs.
 - Compliance report that describes the degree to which the recipient has complied with laws, regulations, and the terms and conditions of the federal assistance awards.
 - Schedule of findings and questioned costs.
 - List of major programs using the required risk-based methodology.
 - Determination concerning federal programs as to whether the recipient of the federal award is a "high risk" or "low risk".
3. Other reports currently required by State and Federal grantors, American Institute of Certified Public Accountants, Governmental Accounting Standards Board (GASB), Government Finance Officers Association and any other regulatory agencies.
4. In the required reports 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.
5. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.
6. The report on compliance and internal controls shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance, internal controls, financial statements, accounting systems, and legality of actions.
7. Auditors shall be required to make an immediate, written report to the City Manager and Director of Finance of all irregularities and illegal acts of which they become aware.

E. Special Considerations

The City will send its Comprehensive Annual Financial Report to the Government Finance Officers Association for review in their Certificate of Achievement for Excellence in Financial Reporting program. The auditor will assist the City in ensuring that the CAFR meets the requirements of that program.

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The City currently anticipates it will prepare one or more official statements in connection with the sale of debt securities that will contain the general purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."

The City will post the audited financial statements on its website.

F. Working Paper Retention and Access to Working Papers

At the City's request, copies of any or all of the working papers prepared in conjunction with the audit engagement will be provided, on a timely basis, at no cost to the City.

In accordance with the Texas State Board of Public Accountancy Rules of Professional Conduct (Section 501.76), all working papers and reports must be retained, at the auditors' expense, for a minimum of five (5) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties:

- Town of Pecos City
- Federal Grant Agencies and Other Federal Agencies
- State of Texas Grant Agencies and Other State of Texas Agencies
- Auditors of entities of which the City is a sub-recipient of grant funds

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. Background Information

The Town of Pecos City is a home-rule City operating under a Council-Mayor-Manager form of government. All powers of the City are vested in an elected Council consisting of a Mayor and five council members. The Council enacts local legislation, determines City policies, and employs the City Manager.

The City Manager is the chief executive officer and the head of the administrative branch of the City government. He is responsible to the Council for the proper administration of all affairs of the City.

The City's fiscal year begins on October 1 and ends on September 30. INCODE is the accounting software utilized for the general ledger, accounts payable, payroll and utility billing. The budgeted funds of the City are as follows:

General Fund:

Accounts for all financial resources except those required to be accounted for in another Fund. The General Fund of the City contains departments for administration, city council, finance, municipal court, police, public works, building inspection, planning, fire, ambulance, streets, parks, and maintenance. The main sources of revenue for the fund are ad-valorem taxes, sales tax, and franchise fees.

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Utility Fund:

Accounts for the operations related to providing water and sewer service to the citizens of Pecos. The Utility Fund contains departments for utility administration, water distribution & maintenance, wastewater collections & maintenance, water treatment, wastewater treatment, and utility customer service. The main source of revenue in the utility fund is water and sewer billings.

Debt Service Funds:

Account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Special Revenue Funds:

The City anticipates creating non-major special revenue funds, which account for specific revenue that is legally restricted to expenditure for particular purposes.

Capital project funds:

Account for the acquisition and construction of major governmental capital facilities.

Internal service fund:

The City anticipates creating internal service funds for vehicle and equipment replacement, as well as for Information Technology.

Discretely presented Component Units:

Economic Development Corporation

The Corporation is a non-profit corporation operating under Section 4B of the Development Corporation Act of the State of Texas. The Corporation accumulates the City's 1/8th cent 4B sales tax and accounts for expenditures and debt authorized by the board of directors.

B. Finance Operations

The Finance Department is directed by the Finance Director, Heather Ramirez, and includes financial municipal court, and utility collections services. The principal functions and the number of employees assigned to each are as follows:

	<u>Number of Employees</u>
Finance Director	1
Accountant	1
Payroll Technician	1
Accounts Payable	1
Accounts Receivable	1
Utility Billing	
Utility Billing Coordinator	1
Cashier	2
Municipal Court Clerk	1
<u>Administrative Assistant</u>	<u>1</u>
Total Employees	10

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The City does not have an internal auditor on staff. Tax assessment and collection services are performed by Reeves County under contract with the City.

C. Budgetary Basis of Accounting

The City prepares its budgets on a basis consistent with generally accepted accounting principles, except that it recognizes encumbrances outstanding at year end as expenditures against that year's appropriation. These encumbrances are reconciled to generally accepted accounting principles where appropriate. Budgets are adopted for all Governmental and Proprietary Funds.

D. Federal and State Financial Assistance

During the fiscal year to be audited, the City received Federal financial assistance for various grants from State agencies. For fiscal year 2016 the City expended less than \$500,000 of federal funds.

E. Pension Plans

The City provides pension benefits for all of its full-time employees through a nontraditional, joint contributory, defined benefit plan in the statewide Texas Municipal Retirement System (TMRS), an agent, multiple-employer public employee retirement system. Actuarial services for this plan are provided by the TMRS. Employees can also voluntarily participate in the City's 457 Deferred Compensation Plan. The City does not contribute to this plan.

F. Availability of Prior Audit Reports

Proposers may examine prior year audit reports at City Hall, or receive via email, upon written request, and if an electronic version is available for distribution. Records to be audited are available for review by firms prior to proposal submission.

IV. TIME REQUIREMENTS

A. Date Audit May Commence

The City will have all records ready for audit and all management personnel available to meet with the firm's personnel upon mutual agreement.

B. Schedule for Fiscal Year Audit

The auditor will propose a schedule each year to complete the Fiscal Year Audit within 180 calendar days of the end of the fiscal year.

C. Scheduled Items for Fiscal Year Audit

The auditor will submit for review and approval by the Director of Finance, a schedule of audit functions as follows:

1. Interim. Expected start and completion dates (early to mid-September)

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2. Information to be provided by the City. The auditor shall provide the City a list of all schedules and other assistance to be prepared by City staff.
3. Completion of Field Work. The City's preference is that the auditor provides audit adjusting entries as they are prepared. The auditor shall make every effort to complete all field work and provide any remaining audit entries annually by November 30.

D. Entrance Conferences, Progress Reporting and Exit Conferences

The selected auditor will schedule an entrance conference, periodic progress reports, and an exit conference with the Director of Finance. The City understands that the fees stated in any proposal will be estimates and are subject to change as a result of unforeseen circumstances that may arise. *However, the auditor must communicate the existence of such circumstances to the Director of Finance prior to performing work that will result in fees exceeding the proposed amounts.*

An exit conference with the Finance Director or designee and the firm's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with the Finance Director or designee. It should include internal control and program compliance, observations, and recommendations.

E. Date Final Report is Due

Due date for the FY2017 final report is no later than April 1, 2018.
Due date for the FY2018 final report is no later than April 1, 2019.
Due date for the FY2019 final report is no later than April 1, 2020.

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

A. Finance Staff and Clerical Assistance

Personnel will be available to the auditors for the purpose of pulling invoices, directing auditors to the proper files, or for explaining procedures.

The Finance staff and responsible management personnel will be available during normal working hours throughout the course of the audit to assist the firm by providing information, documentation, and explanations. The preparation of confirmations will be the responsibility of the auditor.

B. Work Area, Telephones, Photocopying and FAX Machines

The City will provide the auditor with reasonable workspace, table, and chairs. The auditor will also be provided with access to telephones, photocopying/ scanning equipment and FAX machines.

All files records and documents are property of the Town of Pecos City and shall remain on site, unless prior approval is received by the Finance Director. All fieldwork and research must be done on location, unless prior approval is received by the Finance Director.

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C. Report Preparation

CAFR preparation, editing, typing, and printing of twelve (12) hard copies and one electronic copy (.pdf) will be the responsibility of the Auditor. If a Single Audit is required, the auditor will prepare and provide an adequate number of the separate Annual Financial and Compliance Reports (Single Audit) for filing with state and federal agencies.

VI. PROPOSAL REQUIREMENTS

A. Submission of Technical Proposal

The following material is required to be received by 3:00 P.M. on Friday, August 11, 2017, for a proposing firm to be considered:

A master (so marked) Technical Proposal and two copies to include the following:

- a. 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.
- b. Table of Contents
 - i. Transmittal Letter briefly stating the understanding of the audit service to be performed, the commitment to perform the work within the time period, a statement of why the firm believes itself to be the best firm to perform the engagement, a statement that the proposal is a firm and irrevocable offer for sixty days. The transmittal letter must be signed by the appropriate authorized firm representative.
- c. Profile of your firm – Include the following information about your firm:
 - ii. The organization and size of your firm; whether it is local, regional, national, or international in operations. The names of person(s) authorized to represent your firm, their title(s), address, and telephone number(s).
 - iii. The location of the office from which the work is to be performed and the number of professional staff (by staff level) employed at that office.
 - iv. A description of the range of activities performed by the local office such as auditing, accounting, tax service, or management services.
 - v. A positive statement that the following mandatory criteria are satisfied:
 - 1) An affirmation that you are properly licensed for practice as a certified public accountant to practice in the State of Texas.
 - 2) An affirmation that your firm meets the independence requirements of Governmental Auditing Standards, published by the U.S. General Accounting Office.

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- 3) List and describe the Responder's (or proposed subcontractors) professional relationships involving the City or any of its agencies for the past five years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.
 - 4) An affirmation that your firm does not have a record of substandard audit work.
 - 5) An affirmation that your firm meets all specific requirements imposed by state or local law, rules, and regulations.
- e. Firm Qualifications - Include the following information about your firm:
- i. Please identify the audit managers and field supervisors and other staff who will work on the audit on a full-time basis and the number and nature of the staff to be so employed on a part-time basis; including staff from other than the local office. For the office that will be assigned the audit; list the most significant and relevant engagements, up to a maximum of five, that have been performed within the last five years. Indicate the scope of work, date, engagement partners, total hours and the name and telephone number of the principal client contact.
 - ii. If the Responder is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal auditor shall be noted, if applicable.
 - iii. The Responder is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that review include review of specific government engagements.
 - iv. The Responder shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three years. In addition, the Responder shall provide information on the circumstances and status of any disciplinary action taken or pending against the Responder during the past three years with state regulatory bodies or professional organizations.
 - v. The requirements of i. through iv. above are also required for each joint venture, consortium or subcontractors.
- f. Partner, Supervisory and Staff Qualifications and Experience –
- i. Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each person is registered or licensed to practice as a CPA in Texas. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three years and membership in professional organizations relevant to the performance of this audit.

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- ii. Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, and specific experience related to GFOA Certificate of Achievement for Excellence in Financial Reporting, of the specific staff to be assigned to this engagement.
 - iii. Engagement partners, managers or other supervisory staff may change for staff attrition, promotions, relocation or other reasons. The City retains the right to approve or reject staff replacements at the supervisory levels.
 - iv. Consultants and firm specialists can only be changed with the express prior written permission of the City, which reserves the right to approve or reject replacements.
 - v. Other audit personnel may be changed at the discretion of the Responder provided that replacements have substantially the same or better qualifications or experience.
- g. Approach to Audits –
- i. Responders shall provide the following information on their audit approach based upon the firms typical audit approach for similar engagements:
 - 1) Proposed segmentation of the engagement.
 - 2) Level of staff and number of hours to be assigned to each proposed segment of the engagement.
 - 3) The extent to which statistical sampling will be used.
 - 4) Extent of use of computer audit tools and indication of how much work can be performed remotely, use of video conferencing etc.
 - 5) Type and extent of analytical procedures to be used.
 - 6) Approach to be taken in determining laws and regulations that will be subject to audit work.
 - 7) Approach and frequency to be taken regarding regular communications with the Director of Finance.
 - h. 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.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COST INFORMATION INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT. THIS INFORMATION SHALL BE ENCLOSED IN A SEPARATE ENVELOPE (SEE “SUBMISSION OF DOLLAR COST FEE ESTIMATE” BELOW).

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B. Submission of Dollar Cost Fee Estimate

The Responder shall submit an original and two (2) copies of a dollar cost fee estimate in a separate sealed envelope marked as follows:

**SEALED DOLLAR COST FEE ESTIMATE FOR THE TOWN OF PECOS CITY
PROFESSIONAL AUDITING SERVICES PROPOSAL AUGUST 2017**

a. Total All-Inclusive Maximum Price

The sealed dollar cost fee estimate should contain all pricing information relative to performing the audit engagement as described in this request for proposals, with a separate price for Single Audit if required. The total all-inclusive maximum price proposed shall contain all direct and indirect costs including all out-of-pocket expenses. This information should be submitted using the format illustrated in Exhibit A.

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

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

- i. Name of Firm;
- ii. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the fee estimate, and authorized to sign a contract with the City;
- iii. A total all-inclusive maximum price for the 2017, 2018 and 2019 engagements.

c. Rates for Additional Professional Services

If it should become necessary for the City to request the auditor 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 the City and the firm. Any such additional work agreed to between the City and the firm shall be performed at the same rates agreed to and contracted for.

d. Manner of Payment

Progress payments will be made based on hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost fee estimate (not to exceed maximum total price without prior authorization). Interim billing shall cover a period of not less than a calendar month.

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VII. EVALUATION PROCEDURE

A. Review of Proposals

The Director of Finance and staff committee will review all proposals for initial technical scoring and compliance with RFP requirements, using the following weighted criteria:

10%	Firm experience & location
45%	Staff Experience
35%	Audit Plan
10%	Audit timing

The committee will then prepare a preliminary score of all proposals. At this point, firms with an unacceptably low technical score will be eliminated from further consideration.

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

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM, BUT MAY BE CONSIDERED AS NECESSARY.

B. Oral Presentations/Interviews

During the evaluation process, the Selection Committee may, at its discretion, request any one or all 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.

The City reserves the right to conduct personal interviews of any or all firms prior to selection. The City will not be liable for any cost incurred by the Responder in connection with oral presentations or interviews (i.e. travel accommodations, etc.), but encourages and is able to accommodate video conferencing instead in order to lower out of pocket costs.

C. Final Selection

It is anticipated that a firm will be selected at a City Council meeting in August, 2017. Following notification of the firm selected, it is expected a contract will be executed between both parties immediately thereafter.

If a satisfactory contract cannot be negotiated with the selected firm, the City may formally end negotiations with that firm. The City will then attempt negotiations with the firm that had the second-highest score.

D. Right to Reject Proposals

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 Town of Pecos City and the firm selected. The Town of Pecos City reserves the right to reject any or all proposals.

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APPENDIX A
PAGE 1
SEALED DOLLAR COST FEE ESTIMATE

FOR THE AUDIT OF THE **2017** FINANCIAL STATEMENTS

	Hours	Hourly rates	Total
Audit of Financial Statements			
Partner(s)		\$	\$
Manager(s)			
Supervisory staff			
Staff			
Other: (specify)			
Subtotal		\$	\$

Total for services \$ _____

Out of Pocket expenses:

Meals and lodging _____

Transportation _____

Other: (specify) _____

Total all-inclusive dollar cost fee estimate \$ _____

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APPENDIX A
PAGE 2
SEALED DOLLAR COST FEE ESTIMATE

FOR THE AUDIT OF THE **2018** FINANCIAL STATEMENTS

	Hours	Hourly rates	Total
Audit of Financial Statements			
Partner(s)		\$	\$
Manager(s)			
Supervisory staff			
Staff			
Other: (specify)			
Subtotal		\$	\$

Total for services \$ _____

Out of Pocket expenses:

Meals and lodging _____

Transportation _____

Other: (specify) _____

Total all-inclusive dollar cost fee estimate \$ _____

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APPENDIX A
PAGE 3
SEALED DOLLAR COST FEE ESTIMATE

FOR THE AUDIT OF THE **2019** FINANCIAL STATEMENTS

	Hours	Hourly rates	Total
Audit of Financial Statements			
Partner(s)		\$	\$
Manager(s)			
Supervisory staff			
Staff			
Other: (specify)			
Subtotal		\$	\$

Total for services \$ _____

Out of Pocket expenses:

Meals and lodging _____

Transportation _____

Other: (specify) _____

Total all-inclusive dollar cost fee estimate \$ _____

Conflict of Interest Forms

The Texas Ethics Commission had adopted forms CIQ pursuant to HB914. For questions about these forms, please see the Texas Ethics Commission at http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm

Please answer the CIQ questions in relation to the following individuals:

Pecos Mayor

- Venetta Seals, Mayor

Pecos City Council

- Wally Moon, Place 1
- Veronica Baca, Place 2
- Gerald Tellez, Mayor Pro tem, Place 3
- Arthur Orona, Place 4
- Oscar Ornelas, Place 5

Pecos Acting City Manager

- Seth Sorensen

Pecos Finance Director

- Heather Ramirez

**Town of Pecos City
Request for Qualifications and Proposals
Annual Financial Audit**

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ
For vendor or other person doing business with local governmental entity		
<p>This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).</p> <p>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 person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>	OFFICE USE ONLY	
<p>1 Name of person who has a business relationship with local governmental entity.</p>	Date Received	
<p>2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire.</p> <p>(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 the originally filed questionnaire becomes incomplete or inaccurate.)</p>		
<p>3 Name of local government officer with whom filer has employment or business relationship.</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Name of Officer</p> <p>This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D. Describe each employment or business relationship with the local government officer named in this section.</p>		
<p>4</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Signature of person doing business with the governmental entity</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Date</p>		

Adopted 06/29/2007

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Form W-9 (Rev. October 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
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Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ----- <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)				
Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Social security number</td> </tr> <tr> <td style="text-align: center;">or</td> </tr> <tr> <td style="text-align: center;">Employer identification number</td> </tr> </table>	Social security number	or	Employer identification number
Social security number				
or				
Employer identification number				
Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.				

Part II Certification	
Under penalties of perjury, I certify that:	
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3. I am a U.S. citizen or other U.S. person (defined below).	
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.	

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions
Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form
A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,