



City of Wilmer

**CITY OF WILMER, TEXAS
REQUEST FOR PROPOSALS (RFP)**

**RFP 2019-05-02
INDEPENDENT FINANCIAL AUDIT SERVICES**

**PROPOSAL DUE DATE:
JULY 19, 2019 AT 2:00 P.M. (CST)**

**ISSUED BY:
City of Wilmer, Texas**

NOTICE OF REQUEST FOR PROPOSALS RFP NO. 2019-05-02

The City of Wilmer will accept sealed Proposals for Independent Financial Audit Services **until 2:00 P.M., July 19, 2019**, in the City's Finance Department. **Proposals received after this time will not be considered.**

Proposals will be acknowledged on July 19, 2019 at 2:45 P.M. Attendance is not required. All interested persons are invited to attend the acknowledgement at the City of Wilmer, Conference Room A, Wilmer City Hall, 128 N. Dallas Avenue, Wilmer, Texas.

Please mark on the outside of the envelope and on any carrier's envelope: "RFP No. 2019-05-02 for Independent Financial Audit Services", and send to the attention of City of Wilmer, City Secretary, 128 N. Dallas Avenue, Wilmer, Texas 75172.

The City of Wilmer will not be responsible in the event that the U.S. Postal Service or any other courier system fails to deliver the sealed proposals to the City of Wilmer by the given deadline above. Electronic transmission or facsimile of Proposals will not be accepted.

The City of Wilmer reserves the right to reject any or all responses and to waive irregularities contained therein and to accept any response deemed most advantageous to the City of Wilmer.

Missie Schwab
Assistant City Administrator
City of Wilmer, Texas

CALENDAR OF EVENTS

INDEPENDENT FINANCIAL AUDIT SERVICES REQUEST FOR PROPOSAL PROCESS

| | |
|--------------------------|--|
| Thursday, June 27, 2019 | 1 st Public Notice accepting bids and date they will be publicly opened. |
| Thursday, June 27, 2019 | Deliver Request for Proposals to Vendors and post on the Website |
| Thursday, July 4, 2019 | 2 nd Public Notice |
| Friday, July 19, 2019 | Sealed Proposals due from Vendors at 2:00 p.m. Publicly open sealed proposals at 2:45 p.m. in City Hall Conference Room A |
| July 22-25, 2019 | Complete analysis of RFP's received. Bids are tabulated. |
| Thursday, August 1, 2019 | City Council consideration of award of contract with selected vendor. |
| October 1, 2019 | New contract begins. |

City of Wilmer Request for Proposal For Independent Financial Auditing Services

General Information

The City of Wilmer is requesting proposals from Certified Public Accounting firms to perform financial auditing services for the fiscal year ending September 30, 2019, September 30, 2020 and September 30, 2021 for both the City and the Wilmer Economic Development Corporation.

A copy of the City's general purpose financial statements is available from the Finance Director. Interested firms should contact Missie Schwab at (972) 441-6373 or mschwab@cityofwilmer.net for a copy. This document provides information concerning the City, its accounting policies and its related entities.

Software applications currently being used include QuickBooks for general ledger and budgetary accounting, accounting, accounts payable, and payroll and CBSW for utility billing.

Ad valorem tax billing and collection are provided by the Dallas County Appraisal District, under contract.

The City of Wilmer demographics:

- Type A General Law Municipality
- Population approximately 4,136
- FY19 Budget approximately \$15,000,000.
- 50 full-time employees/9 departments (Administration, Community Development, Public Works, Library, Municipal Court, Fire, Police, Water and Sewer)
- Outstanding debt (Tax Notes)

Scope of Audit

The audit shall include an examination of the financial statements of all accounts and funds of the City and all component entities, including the Wilmer Economic Development Corporation (EDC) and Wilmer Community Development Corporation (WCDC). This examination shall be made in accordance with all generally accepted auditing standards for local governments as established by the American Institute of Certified Public Accountants and in accordance with all applicable federal and state laws.

The City occasionally receives funds from various State or Federal Grants. As a recipient of these funds, the City may undergo an annual audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments, depending on the amount of funding received, the City of Wilmer does not expect to meet this threshold in Fiscal year ending September 30, 2019.

The City has two separate component units consisting of the Wilmer Economic Development Corporation and Wilmer Community Development Corporation.

Preparation of Working Papers, Schedules and Financial Statements

The preparation of the Comprehensive Annual Financial Report shall be prepared in accordance with all applicable guidelines of the Governmental Accounting Standards Board and shall be in the format necessary in the opinion of the City Administrator to receive the Certificate of Achievement of the Excellence in Financial Reporting Award, issued by the Governmental Finance Officers Association.

Sealed Fee Estimates

A sealed fee estimate should contain all pricing information relative to performing the audit including rates of compensation and number of anticipated hours of each level of staff that may be assigned to this audit. The total all-inclusive maximum fee should include all direct and indirect costs and anticipated out-of-pocket expenses. A separate estimate for each fiscal year should be provided (FYE 2019, 2020 and 2021).

Separate fee estimates should also be provided for the cost of performing auditing services for the component units for each fiscal year.

If it should become necessary for the City of Wilmer 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 of Wilmer and the firm. Any such additional work agreed to by the City and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed fee estimate/dollar cost bid.

Reporting Requirements

At the conclusion of each year's audit, the auditors shall provide the following:

1. Both hard copy and electronic copy, of the Comprehensive Annual Financial Report including all introductory material, the general purpose financial statement with auditor's opinion and notes thereto, all combining and individual statements as required, component unit statements as required, and statistical information.
2. General Purpose Financial Statement. Twelve (12) final form copies of each of the reports will be required for the City of Wilmer, the Wilmer Economic Development Corporation and the Wilmer Community Development Corporation.
3. A report as to the adequacy of the City's, WEDC's and WCDC's system of internal accounting controls as observed during the course of the audit. The reports shall be addressed to the Mayor and City Council and WEDC and WCDC Boards respectively, but shall be reviewed in draft form by the City Administrator, WEDC/WCDC Executive Director, and Finance Director before they are prepared in final form. Twelve (12) final form copies of each report will be required.
4. If required, reports not included in the Comprehensive Annual Financial Reports related

to determination of compliance with the Single Audit Act and any federal grant programs. Twelve (12) copies of such reports will be required, if applicable.

5. Any audit working paper(s) requested by the City, whether prepared by the auditors, the City Finance Department or the WEDC/WCDC.
6. All Adjusting Journal entries to ensure the consistency of the City's and/or WEDC's and/or WCDC's financial records with the audited financial statement.
7. An explanation of adjusting journal entries to ensure staff can correctly book them in future financial reports.

Meeting Requirements

Mandatory Meetings:

1. Audit Firm Representative(s) will meet with the City and WEDC/WCDC Staff, on at least two (2) occurrences, at the beginning and at the completion of the audit assignment.
2. Audit Firm Representative(s) will meet with the City Council and WEDC/WCDC Boards to make the audit reports, typically one (1) occurrence.

Optional Meetings

1. Audit Firm representatives will meet with City Staff and WEDC/WCDC Staff during the audit assignment to gather additional information as necessary.

Other Requirements

The City shall provide the space and facilities necessary for the auditors to conduct the examination. In addition, all information, data, reports, and records necessary for carrying out the audit work shall be furnished to the auditor in charge and the City shall cooperate with the auditors in every reasonable way to ensure completion of the audit.

The City and WEDC/WCDC expect to close their books for the fiscal year ending September 30, no later than October 31st, of each year and would like to present the printed CAFR to the City Council and WEDC/WCDC Boards no later than the following March of each year at the regular City Council meeting. A meeting will be required prior to presentation to the City Council and WEDC/WCDC Boards. With these dates in mind, a proposed "Schedule of Activities" should be included as part of the proposal.

As part of the proposal, the responder shall include resumes of all employees to be assigned to the audit. It is understood by the City that the individuals specified in the auditor's proposal are the individuals who will do the work associated with the City audit, as described in the proposal. The City reserves the right to approve or disapprove any change to the assigned staff named in the proposal, whether such change occurs prior to or during the engagement.

Auditor Selection Criteria

Final selection of an auditing firm for this engagement will be made at the sole recommendation of the Wilmer City Council, and at its sole discretion. Although not intended to be all-inclusive, the following is a list of criteria that will be considered in making the selection:

1. Extent and quality of the governmental auditing experience of the firm, based on information provided by the firm as well as references from former and present clients;
2. Experience and qualifications of persons who will be assigned to perform the actual audit work;
3. Existing and future time commitments of persons assigned to perform the actual audit work;
4. Proven ability of the firm to meet work schedules and communicate and work effectively with government officials;
5. Completeness of the project approach as outlined in the proposal;
6. Auditors' demonstrated understanding of the City's requirements and the auditor's plan for meeting these requirements;
7. Degree of assurance by the auditor that audit procedures will minimize disruption of the City's normal activities and ensure timely completion of the audit;
8. Degree of assurance by the auditor that technical assistance and advice will be available to the City when requested throughout the engagement period subject to limitations mutually agreed to;
9. Proposal costs for a three-year engagement period; and
10. General responsiveness to the City's request for proposal.

Instructions for Submitting Proposals

Final proposal shall be mailed or delivered to:

Wilmer City Secretary
City of Wilmer
128 N. Dallas Avenue
Wilmer, TX 75172

Proposals must be received no later than 2:00 P.M., Friday, July 19, 2019, to be considered. Each proposal must be sealed and clearly marked on the outside of the envelope "Proposal for Independent Financial Audit Services".

Suggestions for Preparing Proposals

Interested firms are encouraged to use their own preferred style and format in preparing a proposal; however, it is suggested that the proposal include at least the following:

1. Full description of the firm's planned audit approach and procedures used for this engagement.
2. Response to the conditions and requirements outlined in the RFP, including the proposed work schedule. Any reservations or exceptions to the RFP should be fully explained, as

the City intends to incorporate the RFP and proposal into the final contract by reference.

3. Listing of present and former governmental clients for whom the local office of the firm has performed auditing services similar to those outlined in the RFP within the past three years, including the names, addresses and phone numbers of persons who may be contracted as references. Indicate which are current clients of the firm.
4. Lists of all governmental clients served by the local office of the firm that have been lost (no longer clients) within the last three years, and provide reasons for the loss.
5. Professional resumes on all employees of the firm who will be assigned to this engagement, indicating specific auditing experience to date, with a clear indication as to what specific responsibility each individual will have.
6. Information as to what time commitment or workload is presently assigned to each person who will be working on this engagement.
7. Indication as to the degree of technical assistance that will be provided to the City throughout the fiscal year (outside of the audit process).
8. Proposed fee for the engagement, for each of the three years.
9. Proposed billing schedule.

Selection Process

Proposals submitted in response to the RFP will be reviewed initially by the Finance Director, City Administrator and WEDC Executive Director. Based on this review, recommendations will be made to the City Council who will make the final selection. It is expected that the final selection will be made on or about Thursday, August 1, 2019.

Acceptance/Rejection of Proposals

The City reserves the right to accept the proposal considered to be the most advantageous to the City and to reject any and all proposals and re-advertise.

Instructions for the Conflict of Interest Questionnaire

Section 176.006 requires disclosure of a person's "affiliations or business relations that might cause a conflict of interest." The term "affiliation" is not defined in Chapter 176. However, the general definition of the word "affiliation" would mean any association or connection. So any affiliation, including such things as friendship, membership in some group or organization, relationship by blood or marriage, or any other connection, must be disclosed.

How to fill out the Conflict of Interest Questionnaire (each number corresponds with the number on Form CIQ).

1. Name of person doing business with the District. If the business is a corporation, partnership, etc., then each person who acts as an agent for the business in dealings with Barbers Hill ISD must complete the form. Also state company name.
2. Check the box if you are filing an update to a previously filed questionnaire. Updates are required by law by September 1 of each year in which the person submits a proposal or bid, or begins contract discussions or negotiations with the District. Updates are also required by the 7th business day after an event that makes a statement in a previously filed questionnaire incomplete or inaccurate.
3. Describe how you are affiliated or related to a BHISD employee or school board member who may make recommendations to the District regarding expenditures of money.
Name the District employee or school board member with whom you have a relationship; if there is no relationship in question, state "NONE". Answer questions A, B, C, and D with "Yes" or "No", as applicable.

Examples:

- If your spouse, parent, or child is the District's Director of Purchasing and a bid is being submitted to the Purchasing Department, this relationship must be reported.
 - If your spouse, parent, or child is the Principal at a school and your business may sell items directly to that school, this relationship must be reported.
 - If you or your spouse, parent, or child is in business with a District employee that would be making a recommendation concerning a purchase or sales transaction involving you, the relationship must be reported.
 - If you employ or do business with a spouse, parent, or child of a District employee that would be making a recommendation concerning a purchase or sales transaction involving you, the relationship must be reported.
 - If you are a District employee and would be making a recommendation concerning a purchase or sales transaction involving you, the relationship must be reported.
 - If your neighbor or friend is a District employee that would be making a recommendation concerning a purchase or sales transaction involving you and you feel that your relationship with this employee could affect their recommendation, this relationship must be reported.
 - If any other situation exists that would result in a conflict of interest, the relationship must be reported.
 - If your spouse, parent, or child is a teacher that does not make recommendations concerning purchasing or sales transactions, this relationship should not be reported. If your spouse, parent, or child is a Principal at a school and a bid is being considered by a separate department such as Facilities & Planning (Construction Department), this relationship should not be reported.
4. Signature Box: Date and Sign the form. A signature is required from the person completing the form even if "No" is entered in Box 3, A, B, C, or D.

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

OFFICE USE ONLY

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.

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 |
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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