

**JACKSON COUNTY, TEXAS
REQUEST FOR PROPOSAL NO. 2023-001
FINANCIAL AUDIT SERVICES**

SECTION I – GENERAL INSTRUCTIONS AND INFORMATION

THE PURPOSE OF THIS DOCUMENT IS TO contract for financial audit services for a three (3) year period with an option to renew for one-year terms at the discretion of the Commissioners’ Court. It is Jackson County’s intent to obtain proposals from and the services of a qualified, certified public accountant with extensive experience in performing financial audit services for government agencies.

CONTRACT: Offerors are cautioned that any oral statement by any representative of the County, modifying or changing any conditions of this RFP, is an expression of opinion only and confers no right upon the offeror.

INFORMATION/QUESTIONS: Requests for information regarding contractual matters related to this RFP should be directed to:

Michelle Darilek
Jackson County Auditor
411 North Wells, Room 201
Edna, Texas 77957
361-782-2072
m.darilek@co.jackson.tx.us

SUBMISSION: Sealed proposals shall be received Friday, October 28, 2022 until 2:00 p.m.

Clearly Mark Envelope: “RFP-Financial Audit Services”.

RETURN PROPOSALS TO:

JACKSON COUNTY AUDITOR’S OFFICE
411 NORTH WELLS, ROOM 201
EDNA, TEXAS 77957

Proposals must be submitted as instructed in this packet. **Four (4) copies** of your proposal shall be placed in a sealed envelope, with each appropriate page manually signed by a person having the authority to bind the *firm* in a contract. The proposal number and title must be clearly marked on the outside of the envelope. **No elaborate binding or binders, please.** Facsimile transmittal shall not be accepted.

NO OFFER: If offeror does not wish to submit a proposal at this time but desires to remain on the list for this service, please submit a “No Offer” by the same instructions above. Jackson County is always conscious and extremely appreciative of the time and effort you must expend to submit an offer. We would appreciate your indicating on any “No Offer” response any requirements of this RFP, which may have influenced your decision to “No Offer”.

It is understood that the Jackson County Commissioners' Court reserves the right to accept or reject any and/or all proposals as it shall deem to be in the best interest of Jackson County. Receipt of any proposal shall under no circumstances obligate Jackson County to accept the lowest proposal. The award of the contract shall be made to the responsible offeror whose proposal is determined to be the lowest and best evaluated offer resulting from negotiation, taking into consideration the relative importance of price and other evaluation factors set forth in this request for proposals.

LATE PROPOSALS: Proposals received in the County Auditor's office after the submission deadline shall be date/time stamped and returned unopened and will be considered void and unacceptable. Jackson County is not responsible for lateness of mail, carrier, etc., and date/time stamped by Auditor's Office shall be the official time of receipt.

ALTERING PROPOSALS: Any interlineations, alteration, or erasure made before the submission deadline must be initialed by the signer of the proposal, guaranteeing authenticity.

WITHDRAWAL OF PROPOSALS: A proposal may not be withdrawn or cancelled by the offeror for a period of sixty (60) days following the date designated for the receipt of proposal, and offeror so agrees upon submittal of their proposal.

ACKNOWLEDGEMENT OF PROPOSALS: Proposals will be received and publicly acknowledged at the location, date, and time stated above. Offerors, their representative and interested person may be present. Proposals shall be received and acknowledged only so as to avoid disclosure of the contents of competing offerors and kept secret during the negotiation/evaluation process. All proposals shall be open for public inspection *after* the contract is awarded, except for trade secrets and confidential information contained in the proposal so identified by offeror as such.

SECTION II: SPECIFIC REQUIREMENTS

GENERAL: The following information is specific to the selection of a firm for the services described in the scope of services to follow.

EVALUATION CRITERIA AND FACTORS: The Commissioners' Court will evaluate proposals based on a comprehensive set of criteria. The award of the contract shall be made to the responsible offeror whose proposal is determined to be the lowest evaluated offer resulting from negotiations, taking into consideration the relative importance of price and other factors set forth in the Request for Proposals in accordance with the Texas Local Government Code Chapter 262. The evaluation criteria will be grouped into percentage factors as follows:

- 30% The firm's experience in providing audits of governmental entities as described in the scope of services. Includes the qualifications of staff assigned to the audit, specifically the staffs work experience, education, certification and tenure with the firm.
- 30% References and recommendations from past clients
- 20% Audit strategy
- 20% Offeror's total proposed price

MINIMUM REQUIREMENTS: The County ranks audit quality and technical competence high in its expectations. Recent governmental auditing standards require specialized continuing education. Discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award. All offerors will be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. Revisions to proposals *may* be permitted after submission and before award for the purpose of obtaining the best and final offers as determined to be in the best interest of Jackson County.

SUBMITTAL: For proper comparison and evaluation, Jackson County requests that proposals address, at a minimum, the following format:

Transmittal Letter: A brief introductory letter or representation. Briefly state your understanding of the work to be performed and make a positive commitment to perform the work within the time period. State the names, titles, addresses, and telephone numbers of persons authorized to make representations for the offeror. Please limit to one or two pages.

Executive Summary: A brief summary highlighting the most important points of the proposal. Describe the scope of the required services. The offeror's specific audit approach should be set forth in the proposal and should include an explanation of the audit methodology to be followed.

Peer Review: Offeror should include a report on the results of the firm's most recent Peer Review as required by the AICPA and Government Auditing Standards. The report should state whether the Peer Review included a review of government audits.

Degree of Compliance: A statement that all services quoted in the proposal are in full accord with the specifications or a brief listing of all those specification sections to which the offeror takes exception.

Proposal Pricing: Summarize the work plan to accomplish the scope defined in these guidelines stated herein and the maximum fee for which the requested work will be done for each fiscal year in the initial term and indicate what methods would be used to calculate costs for future optional terms. Include detail of price including the number of staff and estimated staff hours that will be committed to the audit. Cost estimates should be submitted on the Cost Estimate Sheet included in this request for proposal.

Explanations and Exceptions: Include explanations, exceptions, comments, etc., that you consider necessary pertaining to the specific sections of the specifications. All comments shall be listed and numbered in the order of the respective article of the specification.

Descriptive Literature: Illustrative or descriptive literature, brochures, specifications, etc. that provide additional offeror/product information with regard to issues addressed in other areas of the offeror's proposal.

Background Information: This section should include a description of the offeror's experience with other services similar to the one described herein. This information should include, at a minimum, the information requested herein.

- Briefly describe the firm, location, range of activities engaged in the practice of public accountancy.
- Confirm that offerors are certified public accountants presently engaged in the practice of public accountancy.
- Affirm that offerors are independent.
- Identify the supervisors who will work on the audit and include a resume for each supervisory person to be assigned to the audit.
- Include information which attests to the proposer's auditing experience, particularly in auditing Texas counties. Specifically include a list of local government audit clients.
- Include the names, qualifications and a brief resume of each individual who will be assigned to the audit for the County. At least one (1) certified public accountant is required. At a minimum, resumes should include:
 - a. The amount of experience the individual has in the auditing profession.
 - b. A summary of similar audits on which the individual has worked; and
 - c. A summary of continuing professional education the individual has completed in governmental accounting and auditing during the last two (2) years.

Schedule: Offeror shall submit a schedule outlining the date the offeror is available to begin the audit, date fieldwork shall begin and end, date draft reports shall be submitted and date final report will be delivered for the audit. Offeror must also provide or assign staff to answer questions for Jackson County throughout the year.

References: Offeror shall submit with this proposal a list of at least three (3) references where like services or similar projects have been performed by their firm. Include name of client, address, telephone number and representative's name.

Affidavit: Offeror shall complete and submit with the proposal the Bid Proposal Affidavit provided as part of this request for proposal.

TERM: The initial term of the contract shall be for a three (3) year period from date of award with an option to renew for additional one-year terms at the discretion of Commissioners' Court.

OFFEROR RESPONSIBILITY: It is the responsibility of each offeror before submitting a proposal:

- To examine thoroughly the contract documents and other related data identified in the proposal documents.
- To consider federal, state and local laws and regulations that may affect costs, progress, performance or furnishing of the work.
- To study and carefully correlate offeror's knowledge and observations with the contract documents and such other related data.
- To promptly notify the County Auditor's Office of all conflicts, errors, ambiguities, or discrepancies which offeror has discovered in or between the contract documents and such other related documents.

SECTION III – SCOPE OF SERVICES

NATURE OF SERVICES REQUIRED

- Fiscal year financial audit of Jackson County. The examination shall include the general-purpose financial statements and if necessary a schedule of Federal Financial Assistance of Jackson County. The auditor's opinion must cover the full scope of the Financial Statement and the schedule of Federal Financial Assistance.
- A separate financial audit as required by the Texas Juvenile Justice Department (TJJJ) on TJJJ Funds. The financial report for TJJJ Funds will be prepared by the County Auditor's Office. This portion of the audit should be separately disclosed in the proposal. This audit will be for one year ONLY as Jackson County has contracted with an adjacent county to manage its juvenile probation department for subsequent years.
- The audit should be made in accordance with:
 1. Generally accepted auditing standards established by the American Institute of Certified Public Accountants.
 2. The AICPA Industry Audit Guide, Audits of State and Local Governmental Units.
 3. NCGA Statement 1, Governmental Accounting and Financial Reporting Principles.
- State and Federal Grant Single Audit in conformance with OMB Circular A-133.

CONTRACTUAL ARRANGEMENT: Jackson County reserves the right to accept or reject any or all proposals submitted. Jackson County is under no legal requirement to execute a contract and intends the material herein as a general description of the services desired.

ADDITIONAL INFORMATION:

- The majority of the fieldwork for the County's independent audit will be conducted in the office of the County Auditor. The County Auditor will coordinate the audit for the county. Workspace for audit staff will be provided. Records and documents to be audited are located at the County Auditor's office and other County offices.
- It has been the practice of the County Auditor's office to assist the independent auditors by providing required information, preparing closing entries, audit schedules, and preliminary financial statements.
- The County's 2021 budget is \$22,022,908. The General Fund budget is \$11,194,102. We maintain 38 Special Revenue Funds, 2 Proprietary Funds, 1 Trust Fund and 2 Agency Funds.
- A single audit of grants must be performed in conjunction with the financial audit if the audit firm determines the County meets the requirements. A single audit was not required in the prior year.
- The County is structured so that cash collections are decentralized. There are multiple cash collection points throughout the County.
- Jackson County employees participate in the Texas County and District Retirement System, a deferred compensation plan and a tax-free benefit plan. The Commissioners' Court establishes the level of participation annually. Participation in the plan is required. Actuarial services for the plan are provided by the Texas County and District Retirement System.

- Prior year audit reports and management letters are on file for review upon request in the County Auditor's office at 411 N Wells, Rm 201, Edna, Texas. Copies of the most recent audit reports are also available on the County's website at www.co.jackson.tx.us under Financial Transparency.
- Jackson County's payroll is managed and distributed by the County Treasurer with over 120 employees on a semi-monthly basis and includes up to 16 payroll deductions.
- The County currently has no outstanding debt.
- The County's Certified Investment Officer, the County Treasurer, handles the investment of idle funds.

SECTION IV – GENERAL CONTRACT TERMS AND CONDITIONS

CONTRACT: This proposal, submitted documents and any negotiations, when properly accepted by Jackson County, shall constitute a contract equally binding between the successful offeror and Jackson County. No different or additional terms will become a part of this contract with the exception of a Change Order.

CONFLICT OF INTEREST: No public official shall have any interest in this contract, except as permitted by and subject to the disclosure requirements of Vernon's Texas Codes Annotated, Local Government Code, Title 5, Subtitled C, Chapter 171.

CONFIDENTIALITY: All information disclosed by Jackson County to the successful offeror for the purpose of the work to be performed or information that comes to the attention of the successful offeror during the course of performing such work is to be kept strictly confidential.

ADDENDA: Any interpretations, corrections or changes to this RFP will be made by addenda. Sole issuing authority of addenda shall be vested in the Jackson County Auditor. Addenda will be e-mailed to all who are known to have received a copy of this Request for Proposal. Offeror shall acknowledge receipt of all addenda.

CHANGE ORDER: No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing by the Jackson County Judge.

ASSIGNMENT: The successful offeror shall not sell, assign, transfer or convey any contract resulting from this RFP, in whole or in part, without the prior written consent of Jackson County Commissioners.

VENUE: This agreement will be governed and construed according to the laws of the State of Texas. This agreement is performable in Jackson County, Texas.

SUBMITTAL OF CONFIDENTIAL MATERIAL: Any material that is to be considered as confidential in nature must be clearly marked as such by the offeror and will be treated as confidential by Jackson County.

MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE OFFERORS: A prospective offeror must affirmatively demonstrate their responsibility. A prospective offeror must meet the following requirements:

- Have adequate financial resources, or the ability to obtain such resources as required;
- Be able to comply with the required or proposed delivery schedule;
- Have a satisfactory record of performance, integrity and ethics;
- Be otherwise qualified and eligible to receive an award.

Jackson County may request representation and other information sufficient to determine offeror's ability to meet these minimum standards listed above.

INDEMNIFICATION: Successful offeror shall defend, indemnify and save harmless Jackson County and all its officers, agents and employees from all suits, actions or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons or property on account of any negligent act or fault of the successful offeror, or of any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from proposal award. Successful offeror shall pay any judgment with cost which may be obtained against Jackson County growing out of such injury or damages.

SALES TAX: Jackson County is, by statute, exempt from the State Sales Tax and Federal Excise Tax; therefore, the proposal price shall not include taxes.

PATENT/COPYRIGHTS: The successful offeror agrees to protect Jackson County from claims involving infringements of patents and/or copyrights.

TERMINATION OF CONTRACT: This contract shall remain in effect until contract expires, completion and acceptance of services or default. Jackson County reserves the right to terminate the contract immediately in the event the successful offeror fails to:

- Meet delivery or completion schedules, or
- Otherwise perform in accordance with the accepted proposal.

Breach of contract or default authorizes the County to award to another offeror, purchase elsewhere and charge the full increase cost to the defaulting offeror.

Either party may terminate this contract with thirty (30) days written notice prior to either party stating cancellation. The successful offeror must state therein the reasons for such cancellation. Prior written notice must be delivered in person or sent by registered or certified mail, return receipt requested, proper postage paid, and properly addressed to the other party at the address on the affidavit for the contractor or to the Jackson County Judge, 115 W Main, Rm 207, Edna, Texas 77957.

PERFORMANCE OF CONTRACT: Jackson County reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the County in the event of breach or default of resulting contract award.

INVOICES: Invoices shall be mailed directly to:

Jackson County Auditor
411 N Wells, Rm 201
Edna, TX 77957

The invoice shall show:

- Accounting firm name and address;
- Detailed breakdown of all charges for the services delivered, stating the applicable period of time;
- Separate invoices for special audit of Juvenile Probation

Invoices shall be based upon actual services rendered and actual hours of performance and/or products delivered.

PAYMENT: Payment will be made upon acceptance by the County of all completed services and/or product ordered and receipt of a valid invoice, in accordance with the Texas Government Code, Chapter 2251. Jackson County Commissioners' Court has regular court on the second and fourth Mondays of each month for the approval of all vouchers for payment. The checks are mailed on that day. Successful offeror is required to pay subcontractors within ten (10) days.

FUNDING: Funds for payment have been provided through the Jackson County budget by the Commissioners' Court for this fiscal year only. The State of Texas statues prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the current Jackson County fiscal year shall be subject to budget approval.

**JACKSON COUNTY, TEXAS
 REQUEST FOR PROPOSALS NO. 2016-018
 FINANCIAL AUDIT SERVICES
 COST ESTIMATE SHEET
 THIS FORM MUST BE RETURNED WITH YOUR PROPOSAL.**

OFFEROR: _____

JACKSON COUNTY AUDIT

Maximum Fee:	Governmental Audit	Single Audit
Fiscal Year ending September 30, 2022	_____	_____
Fiscal Year ending September 30, 2023	_____	_____
Fiscal Year ending September 30, 2024	_____	_____

Indicate the methods that would be used to calculate costs for future optional terms. Include detail of price including the number of staff and staff hours that will be committed to the audit.

JACKSON COUNTY JUVENILE PROBATION AUDIT

Maximum Fee:	Governmental Audit
Fiscal Year ending September 30, 2022	_____

Indicate the methods that would be used to calculate costs for future optional terms. Include detail of price including the number of staff and staff hours that will be committed to the audit.

Indicate the methods that would be used to calculate costs for future optional terms. Include detail of price including the number of staff and staff hours that will be committed to the audit.

NOTE: Proposals not accompanied by this Cost Estimate form will not be considered.

VENDOR REFERENCES

Please list three (3) references of current clients who can verify the quality of service your company provides. The County prefers customers of similar size and scope of work to this proposal.

THIS FORM MUST BE RETURNED WITH YOUR PROPOSAL.

REFERENCE ONE

Government/Company Name: _____
Address: _____
Contact Person and Title _____
Phone: _____ Fax: _____
Contract Period: _____
Scope of Work: _____

REFERENCE TWO

Government/Company Name: _____
Address: _____
Contact Person and Title _____
Phone: _____ Fax: _____
Contract Period: _____
Scope of Work: _____

REFERENCE THREE

Government/Company Name: _____
Address: _____
Contact Person and Title _____
Phone: _____ Fax: _____
Contract Period: _____
Scope of Work: _____

NOTE: Proposals not accompanied by this Vendor References form will not be considered.

BID PROPOSAL AFFIDAVIT

The undersigned certifies that the bid prices in this proposal have been carefully reviewed and are submitted as correct and final. He further certifies that the offeror agrees to furnish any and/or all items upon which prices are extended at the price(s) offered, and upon the conditions contained in the specifications of the Invitation to Bid. The period of acceptance of this bid proposal will be sixty (60) calendar days from the date of the bid opening.

STATE OF TEXAS §
COUNTY OF JACKSON §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, who, after being duly sworn, did depose and say: "I, _____, am a duly authorized officer or agent for _____, and have been authorized to execute the foregoing bid proposal on their behalf. I hereby certify that the foregoing proposal has not been prepared in collusion with any other bidder or other person or persons engaged in the same line of business prior to the official opening of this bid. Further, I certify that the bidder is not now, nor has he been for the past six (6) months, directly or indirectly concerned in any pool or agreement or combination, to control the price of the services or materials bid on, or to influence any person or persons to bid or not to bid thereon.

Name and Address of Offeror:

Telephone:

By: _____
Name Title

Signature: _____

SUBSCRIBED AND SWORN to before me by the above named on this the ____ day of _____, 2012.

Notary Public in and for the State of Texas

NOTE: Proposals not accompanied by this Affidavit will not be considered.