



**Purchasing Division
200 W. Willis Street
Leander, TX 78641
www.leandertx.gov**

Solicitation #S14-012

**REQUEST FOR QUALIFICATIONS
PROFESSIONAL AUDIT SERVICES**

Responses Due: April 17, 2014

CITY OF LEANDER

REQUEST FOR QUALIFICATIONS
PROFESSIONAL AUDIT SERVICES

PART I

GENERAL

1. **PURPOSE:** The City of Leander, herein after "City", seeks an agreement with a qualified public accounting firm, herein "Respondent", whose principals are certified public accountants to audit its financial statements for the fiscal year ending September 30, 2014, and for each of the two (2) subsequent fiscal years.

Audit is to be conducted in accordance with auditing standards generally accepted in the United States of America and the standards acceptable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Should the City require single audit services, 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* shall be used. This service will be negotiated separate and apart if necessary.

2. **BACKGROUND:** A copy of the City's Annual Financial Report for the Fiscal Year ending September 30, 2013 can be found at the following link and herein as ATTACHMENT C:

http://www.leandertx.gov/sites/default/files/fileattachments/Finance/page/231/city_of_leander_-_2013_audit_report.pdf

Copies of the City's Annual Financial Reports for the past several years can be found at the following link:

<http://www.leandertx.gov/finance/page/financial-audits>

3. **DEFINITIONS, TERMS AND CONDITIONS:** By submitting a response to this solicitation, the Respondent agrees that the City's standard Definitions, Terms and Conditions, in effect at the time of release of the solicitation, shall govern unless specifically provided otherwise in a separate agreement or on the face of a purchase order. It is the sole responsibility of respondents to stay apprised of changes. The City's Definitions, Terms and Conditions can be obtained from the City's <http://www.leandertx.gov/finance/page/purchasing>.

3.1. Any acceptance to or additional terms and conditions attached to the response will not be considered unless respondent specifically references them on the front of the Solicitation Document. WARNING: Exception to or additional terms and conditions may result in disqualification of the response.

4. **ATTACHMENTS:** Attachments A through C are herein made a part of this solicitation:

4.1. Attachment A: Reference Sheet

4.2. Attachment B: Estimated Hours for Services

4.3. Attachment C: City of Leander Annual Financial Report FY 2013

5. **CLARIFICATION:** For questions or clarifications of specifications, you may contact:

Joy Simonton, Purchasing Agent
Purchasing Department
City of Leander
Telephone: 512-528-2730
jsimonton@leandertx.gov

The individual listed above may be contacted by telephone or visited for clarification of the specifications only. No authority is intended or implied that specifications may be amended or alterations accepted prior to solicitation opening without written approval of the City of Leander through the Purchasing Department.

6. **RESPONDENT REQUIREMENTS:** The opening of a solicitation shall not be construed as the City's acceptance of such as qualified and responsive.
 - 6.1. Respondents shall be firms, corporations, individuals or partnerships normally engaged in the sale and distribution of commodity specified herein.
 - 6.2. Have adequate organization, facilities, equipment and personnel to ensure prompt and efficient service to the City.
 - 6.3. In order to assure the City does not encounter service delays or other unforeseen problems that can occur with out-of-area or foreign vendors Respondent shall be located within **200 miles of the City of Leander.**
 - 6.4. **Persons and firms practicing Auditing Services in the State of Texas must possess proper licensing and registration in accordance with Texas laws.**
7. **BEST VALUE EVALUATION AND CRITERIA:** The City reserves the right to reject any or all responses, or to accept any response deemed most advantageous, or to waive any irregularities or informalities in the response received that best serves the interest and at the sole discretion of the City.

Respondents may be required to make an oral presentation to the selection team to further present their qualifications. These presentations will provide the Respondent the opportunity to clarify their qualifications and ensure a mutual understanding of the services to be provided and the approach to be used

All solicitations received may be evaluated based on the best value for the City. In determining best value, the City may consider:

 - 7.1. Reputation of Respondent and of Respondent's goods and services;
 - 7.2. Quality of the Respondent's goods and services;
 - 7.3. The extent to which the goods and services meet the City's needs;
 - 7.4. Respondent's past relationship with the City;
 - 7.5. Any relevant criteria specifically listed in the solicitation.
8. **COMMITTEE REVIEW:** An evaluation committee will review each response for solicitation compliance and technical scoring in each category using the following weighted criteria. A consensus score will be assigned to each response.
 - 8.1. Relevant Qualifications and Experience **50 Points**
 - 8.2. Available Resources **30 Points**
 - 8.3. Required Items, Schedules and Impact to City Staff **20 Points**

The evaluation process may reveal additional information for consideration. The City reserves the right to modify, without notice, the evaluation structure and weighted criteria to accommodate these additional considerations to serve the best interest of the City.

9. **AGREEMENT TERM**: The terms of the awarded agreement shall include but not be limited to the following:
- 9.1. The initial term of the resulting agreement shall be one (1) consecutive twelve (12) month period from the effective date. The agreement may be renewed for two (2) additional periods of time, not to exceed twelve (12) months each, provided both parties agree in writing.
 - 9.2. The City reserves the right to review the Respondents' performance at the end of each twelve (12) month period and cancel all or part of the agreement or continue the agreement through the next period.
 - 9.3. The City will require a Letter of Engagement executed annually prior to the beginning of each succeeding twelve (12) month term.
 - 9.4. If the respondent fails to perform its duties in a reasonable and competent manner, the City shall give written notice the respondent of the deficiencies and the respondent shall have thirty (30) days to correct such deficiencies. If the respondent fails to correct the deficiencies within the thirty (30) days, the City may terminate the agreement by giving the respondent written notice of termination and the reason for the termination.
 - 9.5. If the agreement is terminated, for any reason, the respondent shall turn over all records, to include but not be limited to the following: drawings, plans and estimates, to the City within fifteen (15) working days after completion of duties contained in the agreement.
10. **RESPONSE ACCEPTANCE**: Responses to this solicitation shall be valid for a period of ninety (90) days.
11. **AWARD**: The City reserves the right to enter into an agreement or a purchase order with a single award, split awards, non-award, or use any combination that best serves the interest and at the sole discretion of the City. Award announcement will be made upon City Council approval of staff recommendation and executed agreement.
12. **ACCEPTANCE**: Acceptance inspection should not take more than thirty (30) working days. The vendor will be notified within this time frame if the goods or services provided are not in full compliance with the specifications. If any agreement or purchase order is canceled for non-acceptance, the needed good or service may be purchased elsewhere and the vendor may be charged full increase, if any, in cost and handling.
13. **PROMPT PAYMENT POLICY**: Payments will be made in accordance with the Texas Prompt Payment Law, Texas Government Code, Subtitle F, Chapter 2251. The City will pay Vendor within thirty days after the acceptance of the supplies, materials, equipment, or the day on which the performance of services was completed or the day, on which the City receives a correct invoice for the supplies, materials, equipment or services, whichever is later. The Vendor may charge a late fee (fee shall not be greater than that which is permitted by Texas law) for payments not made in accordance with this prompt payment policy; however, this policy does not apply to payments made by the City in the event:
- 13.1. There is a bona fide dispute between the City and Vendor concerning the supplies, materials, services or equipment delivered or the services performed that causes the payment to be late; or
 - 13.2. The terms of a federal agreement, grant, regulation, or statute prevent the City from making a timely payment with Federal Funds; or
 - 13.3. There is a bona fide dispute between the Vendor and a subcontractor or between a subcontractor and its suppliers concerning supplies, material, or equipment delivered or the services performed which caused the payment to be late; or
 - 13.4. The invoice is not mailed to the City in strict accordance with instructions, if any, on the purchase order or agreement or other such contractual agreement.

14. **NON-APPROPRIATION:** The resulting Agreement is a commitment of the City's current revenues only. It is understood and agreed the City shall have the right to terminate the Agreement at the end of any City fiscal year if the governing body of the City does not appropriate funds sufficient to purchase the estimated yearly quantities, as determined by the City's budget for the fiscal year in question. The City may affect such termination by giving Vendor a written notice of termination at the end of its then current fiscal year.

PART II

SCHEDULE

1. **SOLICITATION SCHEDULE:** It is the City's intention to comply with the following solicitation timeline:

1.1. Solicitation released	March 20, 2014
1.2. Deadline for questions	April 8, 2014
1.3. City responses to all questions or addendums	April 10, 2014
1.4. Responses for solicitation due by 3:00 PM	April 17, 2014
1.5. Oral Presentation (if necessary)	TBD

Respondents may be required to make an oral presentation to the selection team to further present their qualifications. These presentations will provide the Respondent the opportunity to ensure a mutual understanding of the services to be provided and the approach to be used.

All questions regarding the solicitation shall be submitted in writing by 5:00 PM on the due date noted above. A copy of all the questions submitted and the City's response to the questions shall be posted on our webpage, <http://www.leandertx.gov/rfps>. Questions shall be submitted to the City contact named herein.

The City reserves the right to modify these dates. Notice of date change will be posted to the City's website.

2. **SOLICITATION UPDATES:** Respondents shall be responsible for monitoring the City's website at <http://www.leandertx.gov/rfps> for any updates pertaining to the solicitation described herein. Various updates may include addendums, cancelations, notifications, and any other pertinent information necessary for the submission of a correct and accurate response. The City will not be held responsible for any further communication beyond updating the website.
3. **RESPONSE DUE DATE:** Signed and sealed responses are due no later than **3:00 PM**, on the date noted above to the Purchasing Department. Mail or carry sealed responses to:

FedEx, UPS or Hand Deliver to:

**City of Leander
Purchasing Department
200 W. Willis
Leander, Texas 78641**

Mail to:

**City of Leander
Purchasing Department
PO Box 319
Leander, TX 78646**

- 3.1. Responses received after this time and date shall not be considered.

- 3.2. Sealed responses shall be clearly marked on the outside of packaging with the Solicitation title, number, due date and “**DO NOT OPEN**”.
 - 3.3. Facsimile or electronically transmitted responses are **not acceptable**.
 - 3.4. Late responses will be returned to Respondent unopened if return address is provided.
 - 3.5. Responses cannot be altered or amended after opening.
 - 3.6. No response can be withdrawn after opening without written approval from the City for an acceptable reason.
 - 3.7. The City will not be bound by any oral statement or offer made contrary to the written specifications.
4. **AGREEMENT NEGOTIATIONS**: In establishing an agreement as a result of the solicitation process, the City may:
- 4.1. Review all submittals and determine which Respondents are reasonably qualified for award of the agreement.
 - 4.2. Determine the Respondent whose submittal is most advantageous to the City considering the evaluation criteria.
 - 4.3. Attempt to negotiate with the most responsive Respondent an agreement at fair and reasonable terms, conditions and cost.
 - 4.4. If negotiations are successful, enter into an agreement or issue a purchase order.
 - 4.5. If not successful, formally end negotiations with that Respondent. The City may then:
 - 4.5.1. Select the next most highly qualified Respondent and attempt to negotiate an agreement at fair and reasonable terms, conditions and cost with that Respondent.
 - 4.5.2. The City shall continue this process until an agreement is entered into or all negotiations are terminated.
 - 4.6. The City also reserves the right to reject any or all submittals, or to accept any submittal deemed most advantageous, or to waive any irregularities or informalities in the submittal received.
5. **POST AWARD MEETING**: The City and Respondent shall have a post award meeting to discuss, but not be limited to the following:
- 5.1. Provide City contact(s) information for implementation of agreement.
 - 5.2. Identify specific milestones, goals and strategies to meet objectives.

PART III

SPECIFICATIONS

1. **SCOPE OF WORK**: Respondent shall provide the following auditing services to be conducted in accordance with auditing standards generally accepted in the United States of America and the standards acceptable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States:
 - 1.1. Express an opinion on the fair presentation of the City’s basic financial statements in conformity with generally accepted accounting principles.

1.2. The City's Annual Financial Report for the Fiscal Year ending September 30, 2013 is made a part of this solicitation as **ATTACHMENT C**.

Should the City require single audit services, 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* shall be used. This service will be negotiated separate and apart if necessary.

2. **TIME SCHEDULE:** The Respondent shall submit a timeline schedule for the 2014 Fiscal Year Audit.
3. **REQUIRED ITEMS, SCHEDULES AND IMPACT TO CITY STAFF:** The City's Finance Department staff will be available during the audit to assist the successful respondent by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City and the respondent.

Respondent shall provide a listing to the City of items and schedules required from City staff to perform audit services.
4. **DELIVERABLES:** The successful Respondent shall provide, but not be limited, to the City the following reports:
 - 4.1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
 - 4.2. A report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements.
 - 4.3. A report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance.
5. **FINAL REPORT:** The successful Respondent shall prepare the substantially complete draft financial statements, notes and all required supplementary schedules and statistical data no later than January 31, 2014 and each subsequent year.

PART IV

RESPONSE REQUIREMENTS

1. **SOLICITATION SUBMISSION REQUIREMENTS:** To achieve a uniform review process and obtain the maximum degree of comparability, the responses shall be organized in the manner specified below. Responses shall not exceed twenty (20) pages in length (excluding title pages(s) and index/table of contents, attachments or dividers). Information in excess of those pages allowed will not be evaluated. One page shall be interpreted as one side of a double-spaced, printed, 8 1/2" X 11" sheet of paper. It is recommended that responses not be submitted in ringed binders or metal spirals to conserve cost for both the Respondent and the City.

The Respondent shall submit **one (1) original signed paper copy and three (3) copies**, clearly identified as a "COPY" of its Response.

In addition, the Respondent shall submit one (1) CD, each containing a complete copy of Respondent's submission in an acceptable electronic format (PDF, RTF, TXT, DOC, XLS). A complete copy of the Response includes all documents required by this Solicitation. The CD shall be titled: "SOLICITATION NUMBER - Complete copy of [Name of Respondent]'s submission."
Failure to provide a CD may result in disqualification for award.

If supplemental materials are included with the Response, each CD must include such supplemental materials. The Response and accompanying documentation are the property of the City and will not be returned.

1.1. Title Page (1 page) – Show the solicitation title and number, the name of firm, address, telephone number(s) name of contact person and date.

TAB #1

1.2. Letter of Transmittal (1 page) – Identify the services for which solicitation has been prepared.

1.2.1. Briefly state your firms understanding for the services to be performed and make a positive commitment to provide the services as specified.

1.2.2. Provide the name(s) of the person(s) authorized to make representations for your firm, their titles, address, telephone numbers and e-mail address.

1.2.3. A statement of affirmation warranting compliance with State of Texas laws.

1.2.4. A statement of affirmation warranting responsibilities shall not be delegated or subcontracted without prior written permission of the City.

1.2.5. The letter of each solicitation shall be signed in permanent ink by a corporate officer or other individual who has the authority to bind the firm. The name and title of the individuals(s) signing the solicitation shall be clearly shown immediately below the signature.

TAB #2

1.3. Table of Contents (1 page) – Clearly identify the materials by Tab and Page Number.

TAB #3

1.4. Previous Performance/Experience – Provide detailed information on firm and team experience with providing Services as described in the Scope of Work.

1.4.1. Respondent shall identify **proposed audit team, staff, task leaders and sub-consultants** along with their respective field and expected services to the City. Information shall include education, professional registrations. Resumes shall be included for each of the individuals and sub-consultants referenced which demonstrate their qualifications to satisfy all the critical and service requirement areas. The City reserves the right to approve or disapprove all sub-consultants prior to any work being performed. **RESUMES SHALL NOT COUNT TOWARD THE 20-PAGE CONTENT LIMIT.**

1.4.2. Respondent shall provide a representative list of client references of a scale and complexity similar to the services being considered by the City. The list shall include the location, client, services provided by your firm, term of services and an owner contact name, telephone and **e-mail address**. Include a brief overview of each project with, at a minimum, a short description of the services provided, including costs and methodology used for projects. ATTACHMENT A is herein required with this section.

TAB #4

1.5. Available Resources and Consultant Location – Provide information on size, resources and business history of the firm.

TAB #5

1.6. Methodology– Respondent shall define the method and approach to be used to include the level of staff and number of hours to be assigned to each proposed segment of the engagement for each year. **ATTACHMENT B** is herein required with this section.

TAB #6

1.7. Required Items, Schedules and Impact to City Staff – Respondent shall provide a listing to the City of items and schedules required from City staff to perform audit services.

TAB #7

1.8. Timeline – Respondent shall provide a timeline to complete the project as per the Scope of Work contained herein.

TAB #8

1.9. Litigation: Respondent shall provide a list of past and current litigation and pending claims against the firm if any.

PART V

CONFIDENTIALITY OF CONTENT

All documents submitted in response to a solicitation shall be subject to the Texas Public Information Act. Following an award, responses are subject to release as public information unless the response or specific parts of the response can be shown to be exempt from the Texas Public Information Act. Pricing is not considered to be confidential under any circumstances.

Information in a submittal that is legally protected as a trade secret or otherwise confidential must be clearly indicated with stamped, bold red letters stating "CONFIDENTIAL" on that section of the document. The City will not be responsible for any public disclosure of confidential information if it is not clearly marked as such.

If a request is made under the Texas Public Information Act to inspect information designated as confidential, the Respondent shall, upon request from the City, furnish sufficient written reasons and information as to why the information should be protected from disclosure. The matter will then be presented to the Attorney General of Texas for final determination.

ATTACHMENT B
RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES
FISCAL YEAR 2014

PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE

SOLICITATION NUMBER: _____

RESPONDENT'S NAME: _____ **DATE:** _____

TITLE	ESTIMATED HOURS
PARTNERS	_____
MANAGERS	_____
SUPERVISORY STAFF	_____
STAFF	_____
OTHER (Please Specify)	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
TOTALS FOR FISCAL YEAR 2014	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.

ATTACHMENT B
RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES
FISCAL YEAR 2015

PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE

SOLICITATION NUMBER: _____

RESPONDENT'S NAME: _____ **DATE:** _____

TITLE	ESTIMATED HOURS
PARTNERS	_____
MANAGERS	_____
SUPERVISORY STAFF	_____
STAFF	_____
OTHER (Please Specify)	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
TOTALS FOR FISCAL YEAR 2015	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.

ATTACHMENT B
RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES
FISCAL YEAR 2016

PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE

SOLICITATION NUMBER: _____

RESPONDENT'S NAME: _____ **DATE:** _____

TITLE	ESTIMATED HOURS
PARTNERS	_____
MANAGERS	_____
SUPERVISORY STAFF	_____
STAFF	_____
OTHER (Please Specify)	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
TOTALS FOR FISCAL YEAR 2016	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.