

Edna Independent
School District (EISD)
RFQ Cover Sheet

Job No.:	<u>15-16Audit</u>
Due Date:	<u>February 4, 2016</u>
DUE NO LATER THAN 10:00 A.M. CST	
LATE BIDS WILL NOT BE ACCEPTED	

<p align="center">Request for Qualifications (RFQ) : EISD Auditing Services</p>
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PLEASE NOTE

Carefully read entire document.
Complete all forms and submit
your response with all appropriate
attachments.

Please submit your hard copy response in a
sealed envelope marked "EISD Auditing Services"

RETURN QUALIFICATION PACKET TO:
Attn: Daniel Harper, RTSBA- **Business Manager**
Edna Independent School District
601 N Wells
Edna, TX 77957

For additional information contact Daniel Harper at (361) 782-3573 or by email at
dharp@ednaisd.org

You must sign below in ink and all responses must be typewritten or written in ink

Company Name: _____
Company Address: _____
City, State, & Zip _____
Taxpayer I.D. # _____
Telephone # _____ Fax # _____ e-mail _____
Print Name _____
Signature _____

Your signature attests to your offer to provide the goods and/or services in this proposal according to the published provisions of this Job. Contract is not valid until EISD Board has approved the award.

<p align="center">RETURN THIS DOCUMENT IN QUALIFICATION PACKAGE</p>
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SPECIFICATIONS

EISD Auditing Services

1. Introduction

Edna Independent School District (“EISD” or the “District”) is seeking qualifications from public accounting firms or other professional organizations that are qualified to perform the annual audit for a Texas Public School District.

The District is issuing an RFQ to determine the most beneficial method of obtaining services as identified within this document. The District reserves the right to consider other options separately from this RFQ. Therefore, the District is notifying each Respondent that the District may or may not enter into an Agreement resulting from this RFQ. If the District determines other methods are in its best interest, the District may pursue other avenues.

Auditing requirements for Texas public school districts are contained in the Texas Education Agency Financial Accountability System Resource Guide, which is the authoritative document, adopted by reference as a rule of the State Board of Education, through Title 19, Texas Administrative Code, Section 109.41.

Edna ISD has an enrollment of 1,500 students in grades pre-kindergarten through 12, on 4 campuses. The District’s Annual Financial Report for the year ended August 31, 2015 can be found on the districts website www.ednaisd.org.

The purpose of the Request for Qualifications is to obtain the services of a public accounting firm for the annual audit, including the Single Audit of general grants for fiscal year 2015-2016. The organization-wide audit will encompass the financial statements as required by GASB Statement No. 34 and the Texas Education Agency Financial Accountability System Resource Guide. The audit is to be performed in accordance with:

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants,
- Standards for financial audits as set forth in the U.S. Government Accountability Office’s Government Auditing Standards (known as the Yellow Book)
- Provisions of the Single Audit Act, as amended, and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and
- The standards contained in the Texas Education Agency Financial Accountability System Resource Guide.

The financial statement audit is to determine whether (1) the financial statements present fairly the financial position, results of operations, and cash flows or changes in financial positions in accordance with generally accepted accounting principles, and (2) whether

Edna Independent School District has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements. The financial related audit will also include determining whether (1) financial reports and related items are fairly presented, (2) financial information is presented in accordance with established or stated criteria, and (3) the school district has adhered to specific financial compliance requirements.

As a part of the audit of the general purpose financial statements, the annual audit will also include obtaining an understanding of the school district's internal control and reporting any reportable conditions relating to the internal control systems coming to the attention of the auditors. To comply with Office of Management and Budget Circular A-133, a study and evaluation of internal control will include internal accounting and administrative controls for all major federal financial assistance programs, in accordance with standards for risk assessment for major federal financial assistance. Any material weakness noted during the study and evaluation of internal accounting and administrative controls and other kinds of noncompliance and questioned costs will be reported in accordance with the Single Audit Act.

As part of the audit of the financial statements, transactions and records pertaining to federal programs will be tested for material compliance with federal laws, rules, and regulations and all instances of noncompliance will be reported to the school district.

Additionally, the audit will include the performance of certain audit procedures for the purpose of reviewing the accuracy of fiscal information provided by the district through the Public Education Information Management System (PEIMS), as required by Section 44.008(b) of the Texas Education Code.

The audit will include procedures applicable to compensatory education funds as required by Module 9 of the Financial Accountability System Resource Guide, if required.

2. Schedule of Events

The District reserves the right to change the dates in the timetable below as deemed necessary by the District. If a change is required to the proposal due date, a written notification will be provided on the District's website.

Item	Activity	Date
1	RFQ starts to advertise (1st run)	12/9/2015
2	RFQ advertises (2nd run)	12/16/2015
3	Deadline to submit questions: 4:00PM CST.	1/20/2016
4	Deadline for submitting Qualifications at 10:00AM CST	2/4/2016
5	Awarded (Anticipated)	2/15/2016

3. Submission of Responses

- a. EISD will accept qualification proposals either by mail or hand delivery until 10:00 AM, CST, February 4, 2016. Proposals received after the opening date and time will not be accepted and will be returned unopened.
- b. One (1) original and one (1) copy of the response are required for evaluation purposes. Proposals should be submitted in a sealed envelope/package clearly marked “**EISD Auditing Services**” with the firm’s name, return address, opening date and time and be addressed to: Edna Independent School District, Attn: Daniel Harper, 601 N Wells, Edna, Texas 77957.
- c. Any prospective respondent detecting a conflict or ambiguity in the RFQ should notify the Business Manager, in writing, setting forth the grounds of the alleged conflict or ambiguity and request the issuance of a clarifying addendum by January 20, 2016. If EISD believes that clarification is necessary and proper, a clarifying addendum will be distributed to all prospective vendors. EISD will not be bound by any oral or other informal explanation of the requirements of the RFQ documents.
- d. Authorized representatives of firms submitting qualifications are expected to fully inform themselves as to all conditions, requirements, and specifications before submitting qualification proposals. Failure to do so will be at the firm’s own risk.
- e. Respondents should provide detailed explanations of any variances or exceptions the respondent has with any requirement or terms specified in this RFQ and thoroughly explain any alternate service offered.
- f. Each original proposal shall be signed by a company representative duly authorized to bind the firm for the obligations stated herein.
- g. EISD is not responsible for any costs incurred by the firm for the preparation or distribution of the response to this RFQ, or any oral presentations required to supplement and/or clarify a proposal that may be required by the District.

4. OTHER REQUIREMENTS

- The accounting firm should provide an annual audit report in a form acceptable to the Texas Education Agency and within the time frame such that the District’s Board of Trustees can approve and staff can file the audit as stipulated in TEC 21.256 (d) (within 150 days subsequent to the close of the fiscal year for which the audit was made).
- The District intends to sell and/or refinance bonds from time to time, which may require the audited financial statements and Auditors opinion to be printed in total or as a part of the section of or addendum to the Official Statement for bond issues. Also, certification may be required for Interest and Sinking Fund Reserve Balances at a point in time other than year end. The accounting firm should state in its proposal whether

these limited services are included within the scope of services provided in the annual fee, or if a separate charge will be made and the amount of those fees.

- It is requested that the proposing firm include a detailed description of each step in the audit approach that will be taken in the audit engagement including estimated hours for each.
- The firm upon being awarded this engagement will be expected to review the detailed audit work plan and schedule with the Business Manager prior to commencing the audit assignment each year.
- Financial statements developed by the Auditor must be in a form that complies with the requirements for the Texas Education Agency.
- All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the District of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to auditors from the Texas Education Agency, The General Accounting Office, or other applicable governmental agencies; they are not otherwise considered to be records open to the general public.
- Subcontracting of any portion of the audit process will not be allowed without the prior written consent of the district.
- Auditors shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware to the Superintendent.
- The proposer must demonstrate the capability to perform the annual audits in accordance with generally accepted government auditing standards and Board of Education auditing rules. Public accounting firms that have performed annual audits for similar entities are encouraged to file a proposal.
- The contract for audit services based upon Board of Trustees approval of the proposal will be for the fiscal year ending August 31, 2016. Edna Independent School District may annually request to extend this agreement for up to another four additional years through fiscal year August 31, 2020, following satisfactory delivery of the services specified in the proposal and engagement letter.
- Disputes concerning the contractual services shall be governed by the laws of the State of Texas and venue for any dispute shall be Jackson County.

5. QUALIFICATION EVALUATION

The District will make its selection based upon the demonstrated competence and qualifications of the firm to perform the services for a negotiated, fair and reasonable price

that is deemed in the best interest of the District.

Selection of the most qualified firm will be made on the basis of demonstrated competence and qualifications to perform the services. Administration will review each firm's statement of qualifications submitted in response to the solicitation. Evaluation factors for the selection of the firm are as follows:

	Factors	Maximum Points
1.	Firm's approach, supporting documentation and evidence of competence to undertake such effort.	25
2	Firm's past experience in preparing audits for a Texas public school district. References from prior clients.	35
3	Qualifications, certifications, experience of personnel/team proposed for this task.	25
4	Audit work plan.	15

Administration will review statements of qualifications and reserves the right to create a short list of firms based on factors listed above. Interviews may be scheduled with short listed firms. The District reserves the right to use the same weight factors for interviews as listed above OR adapt new factors. If adapting new factors, such factors will be made public to the short listed firms prior to the scheduled interviews.

6. QUALIFICATION REQUIREMENTS

Technical Component

To describe clearly the public accounting firm's understanding of the work to be done, the proposer will:

1. Provide a definition of the term "generally accepted government auditing standards" with clear distinctions between these standards and generally accepted auditing standards for nongovernmental engagements.
2. Explain the proposer's approaches to performing an annual audit, including the methodology, nature, timing and extent of audit procedures to be performed.
3. Describe how the approach to performing the audit would be affected if this were a multiyear contract.

4. Make a statement concerning the independence of the proposer, including direct and indirect financial interest, and the relationship of the proposed audit team to employees of the district and any of the board members.

Management Component

The proposer will furnish satisfactory evidence of capability to provide in a professional and timely manner the services stated in the Request for Qualifications. To meet this requirement:

1. Provide the name of the external quality control review organization of which the proposer is a member and length of membership. Also, state the review organizations planned frequency of peer reviews;
2. State whether the proposer has received a peer review and whether in the most recent review an unqualified report was issued. Also, provide a copy of the most recent peer review report;
3. State whether the proposer or its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency;
4. State whether the proposer is a national, regional or local public accounting firm;
5. Provide evidence that the proposer has experience in performing school district/government audits. List current and past audit clients along with the names, telephone numbers and email addresses of contact persons and number of years audit services were provided. State the average daily attendance of the public schools on the list;
6. State whether the proposer is currently under the terms of a public or private reprimand by the Texas State Board of Public Accountancy and/or licensing boards of other states;
7. Describe the proposed audit team, in terms of job positions in the firm;.
8. List names of staff member(s) who will direct the overall audit throughout the duration of the engagement as well as those staff members who will be responsible for planning, directing, and conducting substantial portions of the fieldwork or reporting on this audit engagement. Include the educational background of all staff members named and professional licenses held;
9. Describe continuing professional education in governmental accounting and auditing received by the proposed audit team during the last two years;
10. Provide the names and qualifications of any needed outside specialists and consultants that will assist the proposer's staff members;

11. Describe staff rotation plans for audit team members if this is to be a multiyear contract;
12. Describe the level of assistance that will be expected from Edna Independent School District personnel;

Task/Activity Plan

The proposer will specify budgeted hours, time lines and sequence for audit procedures, and names of staff to be assigned. The task/activity plan and estimated fee should include:

- Expectations of the level of assistance from District personnel (including preparation of supporting schedules).
- Include a statement that estimated fees include audit procedures for the purpose of reviewing the accuracy of fiscal information provided by the District through PEIMS. Proposer should also provide a rate per hour for special projects. The district will pay audit fees as agreed upon in the engagement letter. The District may terminate service for the compensatory education and leaver audit should the State terminate those requirements.

Conditions for Submission of Proposal

All proposals in response to this request must meet the following conditions:

1. Proposals must include a cover letter clearly stating the name of the firm and the name, address, and telephone number of the proposer's representative.
2. Proposals must address each of the audit requirements as stated in this RFQ.
3. The proposer shall furnish additional information that the district may reasonably require.
4. Edna ISD will not be liable for any cost incurred in the preparation of the proposal.
5. The District and proposers may enter into discussions and revisions of proposal, as necessary. Discussion/negotiations may be conducted with proposers who are deemed to be within the final competitive range, however, EISD reserves the right to award a contract without discussions/negotiations.
6. Proposals must be signed by an authorized individual to contractually bind their firm when submitting the proposal. Failure to sign the proposal may cause the proposal to be rejected as "non-responsive".
7. List a minimum of three (3) references the firm has provided comparable services during the last one to five years. Two of such references should be related to K-12 Districts.

8. Firm's fee proposal for such Professional Audit Services should NOT be submitted at this time, but will be solicited at a later date. Also, please do not include your firm's hourly wage rates, etc.

7. CLARIFICATION AND DISCUSSION

- a. The District is under no obligation to conduct discussions with any or all firms, but may, at its sole discretion, elect to conduct interviews with selected firms.
- b. The District will notify firms of the need for clarification of the information submitted and the District reserves the right to request additional information from any firm.
- c. Awarded Firm will not assign any part of the contract resulting from this RFQ, in whole or in part, and may not assign any right or duty required of it without prior written consent of the District. The District reserves the right to approve any changes to awarded Firm's key personnel prior to the rendering of services.
- d. EISD reserves the right to negotiate all elements which comprise the firm's offer to ensure the best possible consideration and to reject any and all proposals.

8. PROPRIETARY INFORMATION

Proprietary information, if submitted to EISD in response to this RFQ, should be identified as such. Any information identified as proprietary will be handled in accordance with the provisions of the Texas Open Records Public Information Act as it applies to such information.

CERTIFICATE OF RESIDENCY

The State of Texas has passed a law concerning non-resident contractors. This law can be found in Texas Education Code under Chapter 2252, Subchapter A. This law makes it necessary for EISD to determine the residency of its soliciting firms. In part, this law reads as follows:

“Section: 2252.001

- (3) ‘Non-resident bidder’ refers to a person who is not a resident.
- (4) ‘Resident bidder’ refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

Section: 2252.002

A governmental entity may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident’s principal place of business is located.”

I certify that _____
(Name of Company Bidding)

is, under Section: 2252.001 (3) and (4), a

_____ Resident Bidder _____ Non-resident Bidder

My or Our principal place of business under Section: 2252.001 (3) and (4), is in the city of

_____ in the state of _____

Signature of Authorized Company Representative

Print Name

_____ _____
Title Date

RETURN THIS DOCUMENT IN QUALIFICATION PACKAGE

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The District must compensate the person or business entity for services performed before the termination of the contract".

This Notice is Not Required of a Publicly-Held Corporation.

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

Vendor's Name:

Authorized Company Official's Name (Printed):

A. My firm is a publicly held corporation; therefore, this reporting requirement is not applicable.

Signature of Company Official:

B. My firm is not owned or operated by anyone who has been convicted of a felony.

Signature of Company Official:

C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Details of Conviction(s): _____

Signature of Company Official: _____

RETURN THIS DOCUMENT IN QUALIFICATION PACKAGE

CONFLICT OF INTEREST QUESTIONNAIRE

PLEASE COMPLETE AND SIGN EVEN IF NO CONFLICT EXISTS

For vendor or other person doing business with local governmental entity FORM CIQ

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

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).

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.

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.

**OFFICE
USE
ONLY**

Date Received

1 Name of person 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 the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has employment or business relationship.

Name of Officer

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.

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?

☐

Yes

☐

No

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?

☐

Yes

☐

No

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?

☐

Yes

☐

No

D. Describe each employment or business relationship with the local government officer named in this section.

Signature of person doing business with the governmental entity

Date

Name of Business/Company

RETURN THIS DOCUMENT IN QUALIFICATION PACKAGE

CERTIFICATION REGARDING LOBBYING

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instruction.
- 3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Company

Authorized Representative (Print)

Signature

Date

RETURN THIS DOCUMENT IN QUALIFICATION PACKAGE

VENDOR DEBARMENT STATEMENT

I have read the conditions and specifications provided in the bid document attached.

I affirm, to the best of my knowledge, the company I represent has not been debarred or suspended from conducting business with school districts in the State of Texas. This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulation may be obtained by contacting the Department of Agriculture Agency with which this transaction originated.

NAME OF COMPANY (Please Type)

MAILING ADDRESS	CITY	STATE	ZIP
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PREPARED BY (Please Type)

SIGNATURE	TITLE
-----------	-------

TELEPHONE NUMBER	FAX NUMBER	DATE
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Check here if you have an address or telephone number change: Yes_____ No_____

RETURN THIS DOCUMENT IN QUALIFICATION PACKAGE

NO RESPONSE FORM

**RETURN ONLY IF YOU CHOOSE NOT TO SUBMIT A RESPONSE TO THIS
SOLICITATION**

EISD Auditing Services

Whereas on the _____ day of _____, 2015 (print name of company)

has reviewed EISD's solicitation and elects not to submit a qualification:

State Reason for no bid: _____

Street Address

City, State, Zip Code

Telephone/Fax Number

Name of Authorized Individual

Signature of Authorized Individual