

**CITY OF VIDOR
REQUEST FOR PROPOSALS
FINANCIAL AND COMPLIANCE AUDIT**

The City of Vidor is requesting proposals from Certified Public Accountants to audit its comprehensive annual financial statements for the fiscal years ending September 30, 2021 through September 20, 2025. The audits shall be conducted by a Certified Public Accountant who is licensed by the Texas State Board of Public Accountancy. The CPA shall meet the general standards concerning qualifications, independence, due professional care, and quality control as required by Government Auditing Standards, including the requirements for continuing professional education and external peer reviews. The Audit shall be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the Government Auditing Standards issued by the Comptroller General of the United States, U.S. Office of Management and Budget Circular A-133 and Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards, Final Rule, as well as all applicable Federal, State, and Local audit requirements.

To be considered, three copies of a proposal must be received by the Office of the City Secretary, 1395 N. Main, Vidor, Texas, by **3:00 p.m. on Tuesday, May 4, 2021**. **Any proposal received after 3:00 p.m. will be returned unopened.** Additional information regarding background and requirements can be requested from Cheryl Ray, Finance Director (409) 769-5473.

The City of Vidor reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated based on the following criteria:

1. Proposer's qualifications including all persons to be assigned to the audit (Educational and professional training)
2. Proposer's experience, particularly recent municipal auditing experience
3. Audit Approach
4. Completeness of Proposal
5. References

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM. RESPONSES WILL BE EVALUATED BASED UPON THE DOCUMENTED ABILITY OF THE RESPONDENT TO SATISFY THE REQUIREMENTS OF THIS REQUEST FOR PROPOSALS. THE CITY OF VIDOR WILL CONSIDER A COMBINATION OF QUALIFICATIONS AND EXPERIENCE IN MAKING A FINAL SELECTION THAT IS MOST ADVANTAGEOUS FOR THE CITY.

Please include a separate sealed envelope providing the annual dollar cost bid clearly marked:

**SEALED DOLLAR COST PROPOSAL
FOR THE CITY OF VIDOR
FOR PROFESSIONAL AUDITING SERVICES**

**CITY OF VIDOR
BY: KELLY CARDER, MAYOR**

BRIEF SUMMARY ABOUT THE CITY:

The City of Vidor has population of 10,940 and is a Home Rule City. The Charter, adopted on November 8, 1969, amended May 7, 1992 and August 8, 1998, provides for a Council-Manager type of government. Council members meet regularly on the second and fourth Thursday of each month. The fiscal year begins on October 1 and ends on September 30.

The City provides the following services: General Administrative Services, Police Service, Municipal Court, Library, Parks and Recreation, Animal Control, Streets and Maintenance, Code Enforcement, Vehicle Maintenance, Emergency Management and Sanitation.

The City's total operational expense budget, General Fund and Sanitation, for the current fiscal year is \$8,603,045. The City employs 69 full time employees with an additional, approximate 18 temporary, seasonal or part-time employees. The City is a member of the Texas Municipal Retirement System.

In September 2003, the City of Vidor borrowed \$1,600,000.00 to close a landfill in Rose City as required by TCEQ. The debt was refinanced in 2013 when the balance was \$898,000.00. There are payments of \$282,846.00 remaining, which includes interest.

The City also borrowed \$6,500,000 in 2008 to build a new City Hall to replace the previous facility damaged by Hurricane Rita in 2005. This debt was refinanced in 2016. There are payments of \$6,415,250 remaining, which includes interest.

The City has the received the following grants that are budgeted for this year: Emergency Management Performance Grant (FEMA) in the approximate amount of \$28,300, and a JAG grant in the amount of \$17,882. We are also in the midst of a long-term Disaster Recovery Grant for Hurricane Harvey for Infrastructure in the amount of \$5,649,867 and Buyout/Acquisition in the amount of \$2,572,057, although it is doubtful, we will expend all of those funds this year. We will also be receiving reimbursements from FEMA under the Public Assistance Program for Hurricane Laura and the Winter 2021 Ice Storms. Additionally, we have applied for several other grants and are awaiting the results of our applications.

Property Taxes are appraised by the Orange County Appraisal District and assessed and collected by Karen Fisher, Orange County Tax Assessor-Collector.

SCOPE OF WORK TO BE PERFORMED:

1. The City of Vidor desires the auditor to express an opinion on the fair presentation of its comprehensive annual financial statements in conformity with generally accepted accounting principles.
2. The audit shall be performed in accordance with generally accepted auditing standards set forth by the American Institute of Certified Public Accountants, the standards set forth for financial audits in the Government Auditing Standards issued by the Comptroller General of the United States, the OMB Circular A-133 and Uniform Administrative Requirement, Cost Principles and Audit Requirements for Federal Awards Final Rule, if applicable, as well as

all applicable Federal, State, and Local Audit requirements.

3. The audit shall include an examination of internal financial controls, including the adequacy of cash intake points in the City, transactions covering all City Departments, the safeguarding of assets, and compliance with applicable laws and regulations.
4. The lack of staff at the City will require the auditor to prepare the financial statements and submit them, and all journal entries and GASB adjustments to the Finance Director for review and approval. The Finance Director is a certified public accountant with years of experience as an auditor and does possess the skills, knowledge and experience to adequately oversee the preparation of the financial statements by the auditor.
4. **All adjusting journal entries; and, if requested, working papers, submitted to the City prior to January 14, 2022.**
5. **Delivery to the City by delivery date, January 27, 2022, ten hard copies and one electronic copy of the completed audit.**
6. Consultation may be needed during the year on special issues.

GENERAL REQUIREMENTS:

1. Upon request, the City will establish a time for proposers to meet with the City Staff to view the layout of accounting records.
2. The City will make available copies of past audits and/or budgets.
3. The City will require an engagement letter.
4. The City reserves the right to accept or reject any proposal submitted.
5. The City Staff will be available to provide all necessary documents and records, photocopy documents, and explain transactions and procedures in the course of the examination.
6. The Auditor shall provide the City staff with a list of needed information prior to the beginning of the audit process.
7. The proposer must be registered with the State of Texas and a copy of the most recent certification must be submitted with the proposal.
8. The proposer is required to submit a copy of the report on its most recent quality control review with a statement whether that quality control review included a review of specific government engagement.

FORMAT:

1. **Title Page** - Include the following: Reference-Request for Proposals Audit Services, name of firm, address, telephone number, name of the contact person for the firm and date.
2. **Table of Contents**
3. **Letter of Transmittal** - An overview of the scope of services to be performed from the prospective of the firm. Include any specific methodology for accomplishing the varied audit requirements in a timely and efficient manner. Confirmation of the delivery date of **January 27, 2022**
4. **Profile and Qualification of Firm:**

Resume of personnel to be assigned to the City audit, including Audit Manager and Lead CPA

Give location from which the work will be performed

Detail specific training and experience with audits performed under Governmental Generally Accepted Accounting Principles (GAAP) and the Single Audit Act

References of Clients of comparable size

Describe computer capabilities, including the extent that the firm uses computers to accomplish audit work
5. **Time and Fee Information:**

Proposed time-line and hourly rates for audit and support personnel. Estimate of any additional out-of-pocket expenses not included in the hourly rates

As an alternative, the City will consider a flat fee structure for the audit

As it is unknown at this time whether the City will require a single audit, please bid for both a single audit and for financial statements not requiring a single audit.
6. **Independence Verification** - Statement that the firm is independent with respect to the City of Vidor
7. **Evidence of Professional Liability Coverage** - Provide evidence showing professional liability coverage
8. **Conflict of Interest Questionnaire (Form CIQ)**
9. Additional Information

PROPOSAL:

The City requests that the proposals be submitted in a uniform manner including all documentation, qualifications, and references. It is anticipated that a firm will be selected on or before **May 27, 2021**.

Please direct any questions to **Cheryl Ray, Finance Director**, at City Hall, 1395 N. Main, Vidor, Texas 77662 (409) 769-5473.