

**CITY OF FORT WORTH  
FINANCIAL MANAGEMENT SERVICES DEPARTMENT**



**REQUEST FOR QUALIFICATIONS (RFQ)**

**For**

**EXTERNAL AUDIT SERVICES**

Release Date: Monday, April 19, 2021  
Proposals Due: Monday, May 10, 2021  
(Refer to Section V for a complete Schedule of Events)

## **SECTION I: GENERAL INFORMATION FOR VENDORS**

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### **PURPOSE AND BACKGROUND**

The City of Fort Worth, Texas Financial Management Services Department (the “City”) is soliciting proposals from qualified certified public accounting firms (hereinafter “Firm”) to perform the City’s annual audits, issue opinions on the related financial statements and provide other auditing services as described within this Request for Qualifications for fiscal years ending September 30, 2021 through September 30, 2023, with the City retaining the exclusive option to extend the agreement resulting from this solicitation for two additional one-year periods. The external audit will include evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. The external audit will also include tests of the City’s compliance with certain provisions of laws, regulations, contracts, and grant management.

“External Audit Services”, as used herein, shall refer to all those services outlined in Section II: Service Requirements Information for Vendors.

This RFQ represents a competitive process, which is designed to facilitate an open and fair opportunity for qualified firms to offer their services for consideration. This competitive RFQ process will provide the City with the flexibility to select the Firm whose proposal is deemed most advantageous for the City and to negotiate with such Firm to arrive at a mutually agreeable contract. The purpose of this RFQ is to establish parameters within which the Firm is to provide Audit Services. The City reserves the right to accept or reject any and all Proposals and to re-solicit for proposals, as it shall deem to be in the City’s best interests. Receipt and consideration of any Proposal(s) shall, under no circumstance, obligate the City to accept any proposal(s). If an award of contract is made, it shall be made to the responsible Firm whose Proposal is determined to be the best evaluated offer taking into consideration the relative importance of the evaluation factors set forth in the RFQ.

### **Description of the City of Fort Worth**

Fort Worth, incorporated in 1873, is a political subdivision and municipal corporation of the State of Texas. Located in Tarrant, Denton, Parker, Wise, and Johnson Counties, the City covers approximately 353 square miles and serves a population of 930,971 as of 2020 estimates.

Fort Worth operates under the Council-Manager form of Municipal Government. A Mayor chosen at-large by popular vote and an eight-member, single-district council are elected to two-year terms (redistricting is in process which will expand the council by two districts). In turn, the Mayor and City Council appoint the City Manager who is the Chief Administrative and Executive Officer of the City. The City Council is also responsible for the appointment of the City Attorney, Municipal Judges, City Secretary and City Auditor. For information on redistricting, visit <https://www.fortworthtexas.gov/news/2021/03/Redistricting-Task-Force-Final-Report> and for a list of current elected officials, visit <https://www.fortworthtexas.gov/government/elected-officials>. The City Council’s Audit Committee consists of four council members. The committee

will provide oversight responsibilities for financial internal and external audits. Please visit <https://www.fortworthtexas.gov/departments/internal-audit> for a list of Audit Committee members.

The City's 2021 Adopted Budget totals nearly \$2 billion, which includes 7,491 authorized positions (AP) and consists of 19 different operating departments (excluding Non-Departmental) plus four appointed officials' offices across multiple funds, including the General Fund, Special Revenue Funds, Debt Service Funds, Enterprise Funds, and Internal Service Funds. Of the total budget, 39 percent, or \$782 million, reflects the cost of General Fund activities such as public safety (excluding Crime Control and Prevention District), parks, neighborhood services, economic development, property management, transportation and public works, planning, development, public libraries, and general management of the city. The remaining 61 percent, or \$1.2 billion, will fund the operations of the other funds noted above. Please visit <https://www.fortworthtexas.gov/departments/planning-data-analytics/budget> for more information related to the City budgets.

The Financial Management Services Department – Financial Reporting Division is responsible for preparing the Annual Comprehensive Financial Report for the City. The division is headed by the Chief Financial Officer and Assistant Finance Director - Accounting and Financial Reporting Divisions. Please visit <https://www.fortworthtexas.gov/departments/finance> for more information related to the department.

### **Relationship with Current Firm**

The City Council awarded Weaver and Tidwell, L.L.P. a three-year contract with two one-year renewals, which were subsequently approved, for fiscal years 2016 – 2020. The current firm is eligible to submit a response to this RFQ.

### **PROPOSAL SUBMISSION**

Proposals must be submitted electronically via email to Jezel Bailey at [Jezel.Bailey@fortworthtexas.gov](mailto:Jezel.Bailey@fortworthtexas.gov) by 10 a.m. on the deadline as specified in Section V. Alternatively, proposals can be submitted on a USB flash drive and delivered to:

City of Fort Worth  
Financial Management Services Department, 2<sup>nd</sup> Floor  
Attn: Jezel Bailey  
275 W 13<sup>th</sup> Street  
Fort Worth, Texas 76102

Any proposal received after the deadline specified above will not be considered.

## **RFQ QUESTIONS**

Questions concerning this RFQ should be directed to Jeziel Bailey at [Jeziel.Bailey@fortworthtexas.gov](mailto:Jeziel.Bailey@fortworthtexas.gov). The deadline for RFQ questions is 5 p.m. CST on the date as specified in Section V.

The City will publish a consolidated response to all questions received; that document will be made available on the City's website at:

<https://www.fortworthtexas.gov/departments/finance/purchasing/bids-current>

## **LAWS AND REGULATIONS**

All applicable federal and state laws, City policies, and the rules and regulations of all authorities having jurisdiction over the agreement shall apply to the agreement throughout, and they will be considered to be included in the agreement, regardless of whether they are written out in full in the agreement or not.

## **TAX EXEMPTION**

The City of Fort Worth is exempt from Federal Excise and State Sales Tax; therefore, tax must not be included in any contract that may be awarded from this RFQ.

## **CERTIFICATE OF INTERESTED PARTIES FORM 1295**

The Firm being recommended for award of contract will be required to complete online the Certificate of Interested Parties Form 1295, including required notarization or other attestation, and the form must be submitted to the contact listed in the solicitation before the award of contract is presented to the City Council. The form can be completed at <https://www.ethics.state.tx.us/filinginfo/1295/>.

## **ERRORS OR OMISSIONS**

The Firm shall not be allowed to take advantage of any errors or omissions in this RFQ. Where errors or omissions appear in this RFQ, the Firm shall promptly notify the designated contact person in writing of such error or omission it discovers. Any significant errors, omissions or inconsistencies in this RFQ are to be reported no later than ten (10) days before the RFQ response is to be submitted.

## **WITHDRAWAL OF PROPOSALS**

A representative of a Firm may withdraw a proposal at any time prior to the RFQ submission deadline, upon presentation of acceptable identification as a representative of such Firm.

### **COSTS INCURRED IN RESPONDING**

All costs directly or indirectly related to preparation of a response to the RFQ or any oral presentation required to supplement and/or clarify a proposal which may be required by the City shall be the sole responsibility of and shall be borne by the participating Firms.

### **NON-ENDORSEMENT**

If a proposal is recommended for award or awarded, the successful Firm shall not issue any news releases or other statements that state or imply the City endorses the successful Firm's services.

### **UNAUTHORIZED COMMUNICATIONS**

No officer, employee, agent, or representative of a Firm may (i) have any contact or discussion, oral or written, directly or indirectly, in violation of this prohibition or (ii) seek to influence any City Council member, City employee or official, or member of the RFQ evaluation panels regarding any matters pertaining to this solicitation. If a representative of any Firm(s) violates the foregoing prohibition by contacting any of the above listed parties with whom contact is not authorized, such contact may result in the Firms being disqualified from the procurement process.

### **PROPRIETARY INFORMATION**

Information submitted to the City in connection with an RFQ is generally considered to be public once a contract has been awarded and executed. If a Firm wishes to seek protection for any submitted information, the Firm is required to identify all purported proprietary information in the Proposal by individually marking each page on which such information appears with the words "Proprietary Information." Firms may *not* mark their entire Proposals as proprietary. If a Firm fails to identify proprietary information, it agrees that by submitting its Proposal all unmarked sections shall be deemed non-proprietary and made available upon public request.

Firms are advised that the City, to the extent permitted by law, shall protect the confidentiality of their Proposals. Firm shall consider the implications of the Texas Public Information Act, particularly after the RFQ process has ceased and the agreement has been awarded. While there are provisions in the Texas Public Information Act to protect proprietary information where the Firm can meet certain evidentiary standards, please be advised that a determination on whether those standards have been met shall not be decided by the City but by the Office of the Attorney General of the State of Texas. In the event a request for public information is made, the City shall notify the Firm pursuant to 552.305, Texas Government Code. An affected Firm may then submit to the Attorney General the Firm's arguments against disclosure. The City shall not make arguments to the Attorney General on the basis of a Firm's purported proprietary interests.

### **DISCLOSURE REQUIREMENTS**

Firm must disclose to the City any known or reasonably anticipated conflicts of interest regarding the Firm providing services to the City and must also disclose any legal or disciplinary events that

may be material to the City's evaluation of the Firm or the integrity of the Firm's management or advisory personnel.

### **INSURANCE REQUIREMENTS**

The following minimum coverage limits apply to this engagement:

Commercial General Liability not less than:

\$1,000,000 Each Occurrence  
\$2,000,000 Aggregate

Automobile Liability not less than:

\$1,000,000 Each accident on a combined single limit basis

Workers' Compensation – Statutory limits or as permitted by law

Professional Liability (Errors & Omissions) – The Firm shall maintain Professional Liability (Errors & Omissions) insurance in the amount of \$1,000,000 per claim and \$2,000,000 aggregate limit

Certificates of Insurance evidencing that Firm has obtained all required insurance shall be delivered to City prior to Firm proceeding with any work. All policies except Professional Liability shall be endorsed to include a Waiver of Subrogation on behalf of the City. The term City shall include its employees, officers, officials, agents, and volunteers in respect to the contracted services.

### **BUSINESS EQUITY FIRM UTILIZATION REQUIREMENTS**

The City of Fort Worth implemented the Business Equity Ordinance to reflect the findings of the City's availability and disparity study. All proposers shall note that it is the policy of the City to ensure the full and equitable participation of Business Equity Firms in the procurement of services with a cost of \$100,000.00 or more.

The Business Equity goal for this RFQ is **15%**.

Information regarding meeting this goal shall be submitted with the proposal and must include:

- The company name, address, point of contact, email address, office and fax telephone numbers of each Business Equity firm that will participate;
- A detailed description of the work to be performed or supplied by each Business Equity firm;
- The sub-contract value or percentage of work for each Business Equity firm;
- The Business Equity percentage level of commitment achieved by each Business Equity firm individually and all firms collectively; and
- The same information (identifying, participation, value and percent) for all non-Business Equity firms

It is important to note that only Business Equity firms that perform a commercially useful function may count towards the **15%** Business Equity goal. Commercially useful function means responsibility for the execution of a distinct element of the work of a Contract, which is carried out by actually performing, managing, and supervising the work involved, or fulfilling responsibilities as a Joint Venture partner.

A Business Equity firm that is submitting a proposal to serve as the Firm can count its self-performance services towards meeting the Business Equity goal for the assigned NAICS commodity codes on their Minority Business Enterprise or Women Business Enterprise certification. If the Business Equity proposer cannot self-perform enough of the work to meet the Business Equity goal, that proposer will be accountable for subcontracting with other certified Business Equity firms to meet the overall goal.

Proposers **must** obtain a request for listing of certified firms from the City of Fort Worth's Business Equity Division; email [DVIN\\_BEoffice@fortworthtexas.gov](mailto:DVIN_BEoffice@fortworthtexas.gov). This requirement will ensure that proposers are acknowledging Business Equity firms currently certified by the North Central Texas Regional Certification Agency (NCTRCA), Dallas/Fort Worth Minority Supplier Development Council (D/FW MSDC) and the Women's Business Council Southwest (WBCS) at the time proposals are submitted, in order for the participation to be counted towards the established goal. The firms must be located in the City's six (6) county geographic marketplace that includes the counties of: Tarrant, Dallas, Denton, Johnson, Parker and Wise.

If a proposer forms a joint venture with one or more Business Equity firms, the Business Equity joint venture percentage participation will be counted towards the established goal. The appropriate Business Equity Joint Venture form must be submitted for review and approval in order for it to be counted.

If proposer submits a proposal that will not meet the stated Business Equity goal, in part or in whole, then the proposal must include a detailed explanation to demonstrate the Good Faith Efforts made to secure Business Equity participation.

Failure to submit the Business Equity participation information or the detailed explanation of the proposer's Good Faith Efforts to meet or exceed the stated Business Equity goal, may render the proposal non-responsive.

**The Business Equity commitment will be part of the final weighted selection criteria.**

## **SECTION II: SERVICE REQUIREMENTS INFORMATION FOR VENDORS**

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### **Scope of Services**

The City of Fort Worth requires the Firm to express an opinion on the fair presentation of its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) and the financial reporting requirements of the Governmental Accounting Standards Board (GASB).



The Firm shall be responsible for performing certain procedures involving Management's Discussion and Analysis and the supplementary information as required by the Government Accounting Standards Board and Generally Accepted Auditing Standards (GAAS).

The Firm will be required to conduct reviews, meet standards, and issue reports as detailed below and may also be requested to perform other auditing services at the discretion of the City.

### **Required Auditing Standards**

To meet the requirements of this Request for Qualifications, the audit shall be performed in accordance with:

- 1) Generally Accepted Auditing Standards and Audits of State and Local Governmental Units as issued by the American Institute of Certified Public Accountants (AICPA)
- 2) Government Auditing Standards, as issued by the Comptroller General of the United States
- 3) 2 CFR 200, Audits of State and Local Governments, Office of Management and Budget (OMB)
- 4) The provisions of the Federal Single Audit Act (as amended)
- 5) The provisions of the Texas Single Audit Circular
- 6) Rules and State of Texas Department of Banking and Finance Regulations
- 7) Statements on Auditing Standards
- 8) Other standards specified below under Required Reports
- 9) Other applicable federal, state and local laws or regulations or professional guidance not specifically listed herein as well as any additional requirements, which may be adopted by these organizations in the future

### **Required Reports**

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue the following on an annual basis:

- 1) A report on the fair presentation of the City's basic financial statements as a whole, in conformity with GAAP.
- 2) A report on the internal control structure based on the auditor's understanding of the control structure and control risk assessment.
- 3) A report on compliance with laws and regulations.
- 4) A report on compliance with the City's Annual Appropriations Ordinance as required under Chapter X, Section 11 of the City's Charter.
- 5) A report on compliance with the City's Investment Policy and the Public Funds Investment Act as required by the City's Investment Policy Statement. See Public Funds Investment Act Compliance below.
- 6) A report on compliance with the City's local government financial test requirements under Texas Administrative Code Title 30, Chapter 37, Rule 37.271 ("TAC 30, Chapter 37, section 37.271").



- 7) A report on compliance with the City's Water and Sewer System Master Ordinance 10968, Section 4(J) related to its Water and Sewer System Revenue Financing Program (Insurance) requirements
- 8) A report on compliance with the City's Water and Sewer System Master Ordinance 10968, Section 4(K) related to its Water and Sewer System Excess Pledged Revenues calculation
- 9) Reports required by the Single Audit Act of 1996, 2 CFR 200, and the State of Texas Uniform Grant Management Standards to include:
  - a. A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.
  - b. A report on compliance for each major federal and state grant program; report on internal control over compliance; and report on schedule of expenditures of federal and state awards required by 2 CFR 200 and the State of Texas Uniform Grants Management Standards.
  - c. A schedule of findings and questioned costs.
  - d. A report on compliance with requirements applicable to State Financial Assistance.
  - e. Irregularities and illegal Acts. Auditors shall be required to make an immediate, written report to the Chief Financial Officer, City Manager, and City Council as appropriate of any and all irregularities and illegal acts of which auditors become aware.

### **Special Considerations and Services**

- 1) The City will send the Annual Comprehensive Financial Report to the Government Finance Officers Association (GFOA) of the United States for review in the Certificate of Achievement for Excellence in Financial Reporting Program. The selected Firm will be required to provide special assistance to the City to meet that program's requirements by providing technical advice to ensure awarding of certification.
- 2) The selected Firm will ensure that the City remains compliant with changes in any reporting requirements to remain in conformity with GAAP.
- 3) The selected Firm will provide guidance and assistance to the City related to Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act of 2021 (ARPA) funds received by the City to ensure compliance with applicable federal requirements.
- 4) The selected Firm, if requested or as deemed appropriate by the City, may perform a financial assessment of separate component units. These component units currently include the Central City Local Government Corporation, Fort Worth Housing Finance Corporation, Fort Worth Local Development Corporation, and Fort Worth Sports Authority.
- 5) The selected Firm may be asked to perform other services (e.g. more tests of details or additional agreed upon procedures) as deemed appropriate by the City.

### **City Charter Requirements – Appropriations**

Chapter X, Section 11 of the City Charter states that the duties of the independent auditor(s) shall include the certification of all statements required under section 2 of Chapter X of the City Charter which governs the Annual Appropriations Ordinance.

### **Public Funds Investment Act Compliance**

The selected Firm will evaluate the City's compliance with the Public Funds Investment Act (the Act). The Public Funds Investment Act regulates the investment activities of State agencies and local governments in the State of Texas. A compliance checklist is to be used for testing compliance with the Act in local governmental entities only. Material instances of non-compliance will be noted in a separate report published by the selected Firm regarding the City's compliance with laws and regulations.

### **Texas Commission on Environmental Quality (TCEQ)**

The City owns the Southeast landfill and must satisfy the State's requirements of financial assurance for closure, post closure, or corrective action by establishing a local government financial test. The selected Firm will be required to perform certain agreed-upon procedures to assist the City and the TCEQ evaluation of the City's compliance with the local government financial test requirements under Texas Administrative Code Title 30, Chapter 37, Rule 37.271 ("TAC 30, Chapter 37, section 37.271"), on an annual basis.

### **Water and Sewer System Revenue Financing Program (Insurance)**

The selected Firm will evaluate the City's compliance with Water and Sewer System Master Ordinance 10968, Section 4(J) related to its Water and Sewer System, Revenue Financing Program (Insurance) requirements.

### **Water and Sewer System Excess Pledged Revenues**

The selected Firm will evaluate the City's compliance with Water and Sewer System Master Ordinance 10968, Section 4(K) related to its Water and Sewer System Excess Pledged Revenues calculation.

### **City Charter Requirements – Financial Reporting**

In addition, the Charter requires the review and publication of a balance sheet, exhibiting the assets and liabilities of the City, supported by departmental schedules, and schedules for each utility publicly owned or operated; summaries of income and expenditures, supported by detailed schedules; and a comparison, in proper classification, with the last previous year. The report of the selected Firm for the fiscal year shall be printed and a copy thereof shall be furnished to each member of the Council, City Manager, and to each citizen who may apply therefor. The original report of the selected Firm shall be kept among the permanent records of the City. The City's Annual Comprehensive Financial Report has served to satisfy these requirements.

### **Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the Firm's expense, in accordance with requirements and procedures set forth by the Fort Worth City Charter. The selected Firm will be

required to make working papers available, upon request, to the following parties or their designees:

- a) City of Fort Worth
- b) U.S. General Accounting Office (GAO)
- c) Cognizant Agency
- d) Parties designated by the federal or state governments or by the City as part of an audit quality review process
- e) Auditors of entities for which the City is a sub-recipient of grant funds

In addition, the selected Firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance. As requests for copies of working papers are fulfilled, the selected Firm will be required to notify the Director of Finance of the request, as appropriate.

### **Assistance to be Provided to the Selected Firm and Report Preparation**

#### **1) Financial Management Services Department**

The Financial Management Services Department staff and responsible management personnel will be available during the audit to assist the Firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City.

#### **2) Information Technology (IT) Assistance**

Certain IT personnel will be available to assist the selected Firm in performing the engagement. IT personnel will also be available to provide systems documentation and explanations. The selected Firm will not be provided with computer time or the use of the City's computer hardware and software.

#### **3) Work Area, Network, Telephones, Photocopying and Fax Machines**

The City will provide the selected Firm with reasonable workspace, desks and chairs. The selected Firm will also be provided access to telephone lines, photocopying facilities and facsimile machines for the on-site audit staff.

Any cost or charge incurred not associated with the engagement will be paid by the selected Firm.

## **SECTION III: TECHNICAL PROPOSAL**

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### **General Requirements**

The purpose of the Technical Proposal is to demonstrate the qualification, competence and capacity of the firms seeking to be the selected Firm and to undertake annual independent audits of the City in conformity with the requirement of this RFQ. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the Firm and of the particular staff to be

assigned to this engagement. It should also specify an audit approach that will meet the RFQ requirements.

The Technical Proposal should address all the points outlined in the RFQ. The Proposal should be prepared simply and economically, providing a straightforward, concise description of the Firm's Capabilities to satisfy the requirements of this RFQ.

### **Independence**

The Firm shall provide an affirmative statement that it is independent of the City as defined by Generally Accepted Auditing Standards/the U.S. General Accounting Office's Government Auditing Standards. The Firm must also list and describe its (and any proposed subcontractors') professional relationships involving the City or any of the City's agency/agencies, component unit/units, or oversight units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit work. In addition, the Firm shall give the City written notice of any professional relationships entered into during the period of this agreement.

### **License to Practice in Texas**

An affirmative statement must be included indicating that the Firm and all assigned key professional staff (and any proposed subcontractors and their staff) are properly registered and licensed to practice in the State of Texas.

### **Firm Qualifications and Experience**

The proposal should state the size of the Firm, the size of the Firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time and part-time basis.

If the Firm is a joint venture or consortium, the qualifications of each Firm comprising the joint venture or consortium shall be separately identified, and the Firm that is to serve as the principal auditor must be noted, if applicable.

The Firm is also required to submit a copy of the report on its most recent external quality control review, with a statement as to whether that quality control review included a review of specific government engagements. The Firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the Firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the Firm during the past three (3) years with any state or federal regulatory bodies or professional organizations.

### **Partner, Supervisory and Staff Qualifications and Experience**

The Firm shall individually identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, specialists, and staff who would be assigned to the engagement and indicate whether each such person is registered or licensed to practice as a certified public accountant in Texas. The Firm also must provide information on the government auditing experience of each identified person, including information on relevant continuing professional education for the past three (3) years, the number of years of local government experience, experience as it relates to the latest GASB pronouncements, and membership in professional organizations relevant to the performance of this audit.

The Firm also must indicate how the quality of staff over the term of the agreement will be assured. Engagement partners, manager, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. Those personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements, and Firm must explain how consistent quality among such assigned personnel shall be maintained. Other audit personnel may be changed at the discretion of the Firm provided that replacements have substantially the same or better qualifications or experience.

### **Prior Engagements with the City of Fort Worth**

The Firm shall list separately all engagements within the last five (5) years, ranked on the basis of total staff hours, for the City by type of engagement (i.e. audit management advisory services, other). For each engagement, the Firm shall indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

### **Similar Engagements with other Government Entities**

For the Firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of five) performed in the last five (5) years that are similar to the engagement described in this Request for Qualifications. These engagements should be ranked on the basis of total staff hours. For each listed engagement indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Identify all current government clients and their fiscal year end date. Provide the number of funds maintained by and the total revenues of those clients for the most recent fiscal year audit.

### **Identification of Anticipated Potential Audit Problems**

The proposal should identify and describe any anticipated potential audit problems, the firms approach to resolving these problems, and any special assistance that will be requested from the City.

## **Schedule of Proposal Prices**

### **A. Total All-Inclusive Maximum Price**

The Schedule of Proposal Prices must contain all pricing information relative to performing the audit engagement as described in this RFQ. The total all-inclusive maximum price must contain all direct and indirect costs to be charged to the City, including all Firm out-of-pocket expenses for which reimbursement will be sought. The Schedule of Proposal Prices must include maximum pricing for each year of the potential five-year engagement period. The City will not reimburse or otherwise be responsible for expenses incurred in preparing and submitting a response. Such costs may not be included in the proposal. The first page of the Schedule of Proposal Prices must include the following information:

- i. Name of the Firm
- ii. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the City
- iii. A Total All-Inclusive Maximum Price for the 2021 engagement
- iv. All-Inclusive Maximum Price for each of the subsequent four years, with clear indication of whether such amount is an estimate or a firm price offer.

### **B. Rates by Partner, Specialist, Supervisor and Staff Level Times/Hours Anticipated for Each**

The second page of the Schedule of Proposal Prices must include a schedule of professional fees and expenses that supports the Total All-inclusive Maximum Price for 2021 as well as subsequent years.

#### **Out-Of-Pocket Expenses**

Out-of-pocket expenses must be included and will count against the Total All-Inclusive Maximum Price. Reimbursements for Firm personnel (e.g., travel, lodging and subsistence) will be made at the rates used by the City for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented in the Proposal Package for each potential year of the engagement. All expense reimbursements will be charged against the Total All-Inclusive Maximum Price submitted by the Firm.

### **C. Rates for Additional Professional Services**

If it should become necessary for the City to request the Firm to render any additional services to either supplement the services requested in this RFQ or to perform additional work, any such additional work must be agreed to in writing between the City and the Firm and shall be performed at the same rates, set forth in the schedule of fees and expenses included in the Proposal Package.

### **D. Invoices for Fees**

All invoices for fees, services, or costs shall be submitted with sufficient detail to demonstrate strict compliance with contract terms.

## SECTION IV: CRITERIA FOR PROPOSAL EVALUATIONS

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### A. ACCEPTANCE OF THE FOLLOWING TERMS:

1. **Contract.** The City intends to select and enter into a formal contract with the Firm as soon as practicable after receipt of proposals. The contract will contain fiscal funding and other right to terminate clauses. If Firm is unable to agree to the contract terms, the City reserves the right to select another competing proposal.
2. **Contract Term.** The contract between the selected Firm and the City for external audit services will be for an initial term of three years beginning with the audit for Fiscal Year 2021, which services are expected to commence on or about August 1, 2021, or as otherwise dictated by the needs of the City. Each subsequent renewal period will automatically go into effect unless either party provides at least sixty (60) days' written notice in advance of the applicable anniversary date that the contract will not be renewed.

Any adjustments in rates in subsequent years may only be made by mutual agreement of the parties prior to a renewal.

### 3. Reservation of Rights.

- a. City reserves the right to award one (1), more than one (1) or no contract(s) in response to this RFQ.
- b. The contract, if awarded, will be awarded to the Firm or Firms whose proposals are deemed most advantageous to City, as determined by the selection committee, and subject to approval of the City Council.
- c. City may accept any proposal completely or in part. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFQ on the part of City. However, final selection of a Firm is subject to City Council approval.
- d. City reserves the right to accept one (1) or more proposals or reject any or all proposals received in response to this RFQ, and to waive informalities and irregularities in the proposals received. City also reserves the right to terminate this RFQ, and reissue a subsequent solicitation, and/or remedy technical errors in the process.
- e. City will require each selected Firm to execute a contract with the City prior to City Council award. No work shall commence until City signs the contract documents and Firm provides the necessary evidence of insurance as required in this RFQ and the contract. Contract documents are not binding on City until approved by the City Attorney and executed by the City Manager or Deputy or Assistant City Manager. In the event the parties cannot negotiate and execute a contract within a reasonable time, City reserves the right to terminate negotiations with the selected Firm and commence negotiations with another Firm.



- f. The City reserves the right to add similar services or delete services specified in any contract resulting from this procurement if requirements change during the performance of the contract. Prices for services to be added to the contract must be mutually agreed to by the City and selected Firm. A contract modification will be required for any service addition or deletion or price modification.
- g. This RFQ does not commit the City to enter into a contract, award any services related to this RFQ, or obligate the City to pay any costs incurred in preparation or submission of a proposal or anticipation of a contract.

**4. Conflicts of Interest.**

- a. No public official may have interest in this contract in accordance with the Texas Local Government Code Title 5, Subtitled C, Chapter 171.
- b. Disqualification for failure to disclose material information to City: A Firm may be disqualified for failure to disclose material information to the City. "Material information" is defined as information of sufficient importance or relevance as to have possible significant influence on the City's choice of the Firm.

**B. TOTALITY OF INFORMATION PROVIDED IN THE RESPONSE TO THE RFQ**

The following criteria will be used to evaluate proposals received:

**1. Firm's Qualifications and Experience (50%)**

This criterion includes the ability of the Firm to meet the terms of the RFQ, and any special considerations, which the Firm feels may increase its ability to perform the contract. Within this criterion consideration will be given to:

- a. Expertise; level of capability to perform the services required
- b. Quality of performance; professional qualifications of the key personnel assigned relevant to the work to be performed
- c. Experience, within the last five (5) years, providing the same or substantially similar services as outlined in this RFQ for other entities, preferably municipal government sector entities of at least a population size of 400,000 and above
- d. Reputation, ethical standards, and disciplinary history such as judgments or sanctions
- e. Feedback from three references with at least one from a municipal government of similar scope and size

**2. Understanding the Needs of the City (25%)**

This factor refers to the extent to which the Firm's proposal reflects its:

- a. Understanding of the City's external audit needs and objectives.
- b. Understanding of the nature and scope of the work involved.

- c. Accessibility and responsiveness, including ability to meet the schedules and deadlines as outlined in this RFQ.
- d. Familiarity with the City of Fort Worth.

**3. Commitment to Business Equity (15%)**

This criterion will be scored based on the extent to which Firm's proposal complies with the terms of the "Business Equity Firm Utilization Requirements" portion of this RFP, including the 15% goal.

**4. Reasonableness of Costs (10%)**

These points will be awarded based on the cost and efficiency of the Firm's proposed approach. Efficiency and economy are very important to the City, but this area will not necessarily be the primary deciding factor in the selection process.

**SECTION V: SCHEDULE OF EVENTS**

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RFQ Release Date	April 19, 2021
Final Questions Accepted	April 26, 2021
City Response to Questions	May 3, 2021
Proposals Due	May 10, 2021
Interviews with Finalists	Week of May 17 (Tentative)
Winning Proposal(s) Selection (Anticipated)	May 28, 2021
Anticipated City Council Approval	Between June 1 – June 22, 2021
Anticipated Effective Date of Contract	August 2, 2021

\*\*\*End of Document\*\*\*