

**REQUEST FOR
QUALIFICATIONS FOR
CITY AUDITOR SERVICES FOR THE
CITY OF BLUE RIDGE, TEXAS**

On or before 10:00 am. on, November 21, 2022 the City of Blue Ridge will receive qualification statements from interested Independent Public Accountant/CPA firms for services related to providing an annual audit to the City. No late statements will be accepted.

Interested firms should submit seven (7) copies of their sealed statement of qualifications to:

**City of Blue Ridge, Texas
Edie Sims, City Secretary
200 S. Main Street, Blue Ridge, TX 75424**

Further information may be obtained by contacting the City Secretary's office at:

**City of Blue Ridge, Texas
Edie Sims, City Secretary
esims@blueridgecity.com**

PLEASE NOTE: The selection of an auditor or firm to provide the described scope of services will not be made on cost alone but may be made based on the consideration of qualifications-related factors contained in this Request for Qualifications.

- I. PURPOSE:** To obtain the services of licensed independent public accountants certified by the Texas State Board of Public Accountancy to perform fiscal year auditing services for the City of Blue Ridge, Texas ("City").
- II. PROPOSAL RESPONSE:** Qualified proposals shall be submitted in a sealed envelope identified as "Sealed Proposal – Annual Financial Audit Services." Proposals may be hand delivered or mailed to the following address, and shall include seven (7) copies of the proposal documents:

City of Blue Ridge
Attn: Edie Sims
200 S. Main
Blue Ridge, Texas 75424

- A.** Proposals shall be prepared for audit services to be provided for a one-year term with the potential of one-year extensions up to four years.

B. Per contractual agreement, the selected firm will perform the specified audit for Fiscal Year 2021-2022. Subsequent years will be contracted at the sole option of the City of Blue Ridge, based upon previous performance.

C. The proposal process will observe the following schedule:

Public Notice	Sunday, October 23, 2022 (McKinney Courier Gazette) Thursday, October 27, 2022 (The Leonard Graphic)
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Proposal Opening	November 21, 2022 10:00 a.m.
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Award of Contract	Tuesday, December 6, 2022 (Tentative)
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D. Proposals must be received no later than **10:00 a.m., Monday, November 21, 2022**. Proposal opening will be held following the closing of the receipt of proposals at 10:00 a.m., on Monday, November 21, 2022 at:

City of Blue Ridge
200 S. Main
Blue Ridge, Texas 75424

E. Proposals received after 10:00 a.m., Monday, November 21, 2022 will be returned unopened, and will be considered void and unaccepted.

F. The City reserves the right to reject any and all proposals received. Any award will be made to the firm which, in the opinion of the City Council of the City of Blue Ridge, is best qualified.

III. GENERAL INFORMATION: The City operates as a General Law Type A City. The City is situated along and about FM 545 and Highway 78 in Collin County, Texas. The City has a 2010 census population estimate of 822 and a current combined operating budget of approximately \$1,800,000. The City maintains records using modified accrual accounting. Fund and budgetary accounting records are maintained for the City's "General Fund." The City maintains "Debt Service" funds, "Capital Project" funds, and "General Long-Term Debt" and "General Fixed Asset" groups. Also, the City operates and maintains records for a water utility enterprise servicing approximately 495 retail customers.

The City's financial records are maintained on Quick Books based accounting system. The system is composed of a general ledger system including budgetary records, accounts payable, utility billing, and payroll (for approximately

6 full-time and 0 part-time employees). The utility billing is maintained by a separate software program, Asyst thru Central Square Technologies. Tax receivable are collected and transmitted daily to the City by an independent third-party.

- IV DESCRIPTION OF WORK:** The audit shall be conducted according to generally accepted auditing standards ("GAAS") as outlined in the "Statements on Auditing Standards," the standards for financial and compliance audits contained in the United States General Accounting Office ("GAO") "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions," the U.S. Office of Management and Budget's ("OMB") "Major Compliance Features of Programs Administered by State and Local Governments," the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and Uniform Guidance as applicable. Field work will be scheduled with the City Secretary; however must be completed no later than January 31st. All proposed audit adjustments shall be reviewed with the City Secretary at time of preparation or no later than the completion of field work. Upon completion of field work, the auditor shall schedule an exit conference with the Mayor and City Secretary of the City of Blue Ridge. The auditor shall submit a temporary and preliminary draft report and management letter to the City Secretary for review at or before the time of the exit conference. A presentation at a later date will be scheduled with the Blue Ridge City Council. The final audit report shall be submitted no later than February 21st after the closing of the fiscal year then being audited. The auditor shall supply five (5) copies of the final audit report.

All working papers and documents shall be retained by the auditor for a minimum of three years and shall be made available at no cost to the City of Blue Ridge upon request. Additionally, the partner in charge of the audit shall be available to attend public meetings, as directed by the City, at which time the audit report will be presented and discussed.

- V. AUDITOR QUALIFICATIONS:** The qualified proposal shall include:
- A. An affirmation that the proposer is licensed by the State of Texas under Chapter 901 of the Texas Occupations Code for public practice as a certified public accountant.
 - B. An affirmation that the proposer meets the independence requirements of the "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" published by the GAO.
 - C. A statement as to whether the proposer has received a quality control review within the past three (3) years as the peer review requirements and whether in any of such reviews an unqualified report was issued.
 - D. If applicable, evidence that the proposer has experience in performing government audits.

VI. REPORTING REQUIREMENTS: The Annual Financial Report is to be addressed to the Mayor and City Council of the City of Blue Ridge and should include at a minimum:

- A. Auditor's Opinion
- B. Combined Financial Statements and Accompanying Notes
- C. Supplemental combining and individual fund and account group statements
- D. Report on Supplemental Schedule of Federal Financial Assistance (as necessary)
- E. Report on Compliance Based on Examination of General Purpose Financial Statements
- F. Report on Compliance Related to Major and Non-major Federal Financial Assistance Programs (as necessary)
- G. Report on Internal Accounting Controls made as a Part of Examination of the General Purpose Financial Statements
- H. Report on Internal Controls (Accounting and Administrative) made as a part of Examination of the General Purpose Financial Statements and the Additional Tests Required by the Single Audit Act
- I. Completed OMB Standard Form SF-SAC, "Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations" (as necessary)
- J. Report to Management, which includes recommendations concerning internal accounting controls, financial statements, accounting systems, administrative and operating matters, instances of noncompliance with laws and regulations, and any other material matters.

VII. RESPONSE FORMAT: In order to expedite the review process and obtain the maximum degree of information for evaluation purposes, proposals shall be prepared in the following format:

- A. Title Page – identify the subject, firm name, address, telephone number, contact person, and date of submission.
- B. Table of Contents - identify the materials submitted by section and page number.
- C. Letter of Transmittal – briefly identifies your firm's understanding of the services to be provided and ability to perform within the required deadlines. An all-inclusive annual fee should be stated for the audit services to be performed, including the names of authorized representatives of your firm, their titles, physical addresses, e-mail addresses, and telephone number(s).
- D. Profile of Independent Auditor - note the size and organization of the proposer (whether it is local, regional, national or international), location of the office to perform the audit, noting the size of the staff and activities performed at that location (i.e. audit, tax service, etc.). An affirmative statement that the **AUDITOR QUALIFICATIONS** have been met, as

previously described in Section V within this Request for Proposal, is satisfactory.

- E. Summary of the Proposer's Qualifications - identify audit managers, field supervisors and staff members who will work on the City's audit including resumes for each listing relevant experience and continuing education.
- F. Proposer's Approach to the Examination - Submit a work plan to accomplish the scope defined within this Request for Proposal (refer to Section III, GENERAL INFORMATION; Section IV, DESCRIPTION OF WORK; and Section VI, REPORTING REQUIREMENTS). The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. The audit work plan should completely cover what audit work will be accomplished to allow the auditor to render:
 - 1. An opinion report on the financial statements
 - 2. A report on the study and evaluation of internal control systems
 - 3. As necessary, reporting on the organization's control system to assure compliance with laws and regulations that may have an effect on federal assistance programs.The audit work plan should demonstrate the proposer's understanding of the audit requirements of a Single Audit as specified in Uniform Guidance and the audit tests and procedures to be applied in completing the audit plan.
- G. Compensation - estimate the total hours anticipated, the hourly rate, and the resulting all-inclusive maximum annual fee for the requested work in all sections of the Request for Proposal for each year;
- H. Additional Information - list any additional information the proposer feels pertinent to the proposal.

Any questions concerning this Request for Proposal should be directed to:

Edie Sims
City Secretary
City of Blue Ridge
200 S. Main
Blue Ridge, Texas 75424
972-752-5791
esims@blueridgecity.com