

THE CITY OF SCHERTZ, TEXAS

REQUEST FOR PROPOSALS (RFP)

for

Financial Auditing Services

RFP # 2025-009



April 15, 2025

SCHERTZ
COMMUNITY * SERVICE * OPPORTUNITY

**1400 SCHERTZ PARKWAY
SCHERTZ, TEXAS 78154**

CITY OF SCHERTZ
REQUEST FOR PROPOSALS (“RFP”)
Financial Auditing Services
RFP# 2025-009

Sealed proposals in response to this RFP will be received through the City’s e-procurement portal at <https://schertz.bonfirehub.com/portal/?tab=openOpportunities> until **May 2nd, 2025, at 3:30PM**. Submissions by other methods will not be accepted. All Proposals must be in the City of Schertz’s possession on or before the scheduled date and time (no late RFP will be accepted). **Proposals will be presented publicly through a virtual meeting which can be found in section 2.1.**

Solicitation documents can be obtained from the City’s website above. You must register as a vendor through this portal to submit a bid or proposal. Any questions regarding this solicitation must be posted in the Q&A section on the City’s e-procurement portal. General questions about using the e-procurement portal or becoming a vendor may be directed to the City’s Purchasing Department at purchasing@schertz.com.

The City shall evaluate proposals based on the evaluation criteria set forth in the solicitation.

The City of Schertz reserves the right to refuse and reject any or all responses, waive any or all formalities or technicalities, accept the response or portions of the response determined to be the best value and most advantageous to the City, and hold the responses for a period of 90 days without acting. The City of Schertz reserves the right to accept responses from more than one firm determined to be the best option for the City. Respondents are required to hold their responses firm for the same period.

All questions must be submitted through the City’s e-procurement portal no later than **28 April, 2025, at 5:00PM**.

Upload electronic proposals to:
<https://schertz.bonfirehub.com/portal/?tab=openOpportunities>

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SECTION 1

OBJECTIVES, AND BACKGROUND

1.1 Objectives of this Request for Proposal

The City of Schertz (“City”) is soliciting proposals in response to this Request for Proposal number **2025-009** (“RFP”) from contractors, hereafter referred to collectively as “Proposers,” to assist the City in providing financial auditing services.

1.2 Description of City

The City of Schertz, Texas, is a home rule city located northeast of San Antonio along the I-35 corridor. Schertz currently occupies a land area of 32.1 square miles and serves a population of approximately 48,000. The City of Schertz provides a full range of services, including fire protection, the construction and maintenance of streets, recreational facilities, cultural events, water and sewer services and EMS services. The City’s operational commitment is to provide reliable and excellent service to citizens at competitive prices and to guide responsible stewardship of City resources.

1.3 Project Background

The City of Schertz (“City”) is seeking competitive sealed proposals in response to this Request for Proposals (“RFP”) Number 2025-009 from contractors, to provide financial auditing services as more particularly described in Section 5.

1.4 Term of Agreement

If the City enters into an Agreement (ref. **Section 4**) in response to this RFP, The City anticipates the initial term of the Agreement will be for three (3) years (“**Initial Term**”), with the option, upon mutual consent, to renew the agreement for two automatic annual renewals thereafter (each an “**Extension Term**”). The Initial Term and each Extension Term are collectively referred to as the “**Term**.”

SECTION 2

NOTICE TO PROPOSERS

THE PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

2.1 Submittal Deadline

Sealed proposals in response to this RFP will be received through the City's e-procurement portal at <https://schertz.bonfirehub.com/portal/?tab=openOpportunities> until **May 2nd, 2025, at 3:30PM**. Submissions by other methods will not be accepted. All Proposals must be in the City of Schertz's possession on or before the scheduled date and time (no late RFP will be accepted).

All submitted and sealed responses will be opened at the above-mentioned time and date. Responders who wish to be present for the opening may come in person, or join the Zoom meeting at the below link:

[BID OPENING TEAMS MEETING LINK](#)

Solicitation documents can be obtained from the City's website above. You must register as a vendor through this portal to submit a bid or proposal. Questions regarding this solicitation **MUST** be posted on the Q&A section of this proposal on the City's e-procurement portal. General questions about using the e-procurement portal may be directed to the Purchasing Department at purchasing@schertz.com.

2.2 Inquiries and Interpretations

The City specifically requires that all questions regarding this RFP be submitted through the City's e-procurement portal (Bonfire) at <https://schertz.bonfirehub.com/portal/?tab=openOpportunities>. All questions must be submitted no later than **April 28th, 2025, at 3:00PM**. The City will have a reasonable amount of time to respond to questions or concerns. It is the City's intent to respond to all appropriate questions and concerns; however, The City reserves the right to decline to respond to any question or concern. Only City responses that are made by formal written Addenda will be binding on the City. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by City prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

2.3 Pre-Submittal Meeting

A pre-submittal meeting will not be held for this project.

2.4 Public Information

City considers all information, documentation and other materials submitted in response to this RFP to be of a non-confidential and non-proprietary nature and shall be subject to public disclosure under the Texas Public Information Act (*Texas Government Code*, Chapter 552.001, et seq) after the award of an Agreement.

The proposer is hereby notified that the City strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

2.5 Criteria for Selection

The successful Proposer, if any, selected by The City in accordance with the requirements and specifications set forth in this RFP will be the Proposer that submits a proposal in response to this RFP on or before the Submittal Deadline that is the most advantageous to The City. The successful Proposer is referred to as the “**Contractor.**”

Proposer is encouraged to propose terms and conditions offering the maximum benefit to The City in terms of (1) services to the City, (2) total overall cost to the City, and (3) project management expertise. Proposers should describe all applicable discounts that may be available to The City in a contract for the Services.

An evaluation team from The City will evaluate proposals. The evaluation of proposals and the selection of Contractor will be based on the information provided by Proposer in its proposal. The City may consider additional information if The City deems such information relevant.

Based on the Evaluation Committee review, several firms may be short-listed for further consideration and may be required to submit supplemental information and an interview or presentation. The City reserves the right to reject all submissions.

After submission of a proposal but before final selection of Contractor is made, the City may permit a Proposer to revise its proposal to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. The City is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to the City overall, as determined by the City.

By submitting a proposal, Proposer acknowledges (1) Proposer's acceptance of [a] the Proposal Evaluation Process, [b] the Criteria for Selection, [c] the Scope of Work (ref. Section 5), [d] the terms and conditions (ref. Section 4), and [e] all other requirements and specifications set forth in this RFP; and (2) Proposer's recognition that some subjective judgments must be made by the City during this RFP process.

The criteria to be considered by The City in evaluating proposals and selecting Contractor, will be those factors listed below with their relative weightings:

2.5.1 Proposer’s Qualifications, Abilities, and Reputation: (30%)

- 2.5.1.1 Proposer’s demonstrated competence and experience in providing the requested services, including the quality of Proposer’s references from past and present clients.
 - 2.5.1.2 The qualifications, education, and experience of the team members proposed by Proposer to conduct and supervise its services for the City.
 - 2.5.1.3 Proposer’s past relationship with City of Schertz, and Proposer’s experience performing the requested services for entities similar in nature.
 - 2.5.1.4 Proposer’s ability to perform the required services within the time periods projected, based on Proposer’s demonstrated capabilities, staffing, financial stability, and creative resources.
 - 2.5.1.5 Proposer’s demonstrated awareness of the present environments and likely future developments related to the requested services.
- 2.5.2 Quality of Proposed Services/System: (30%)**
- 2.5.2.1 The overall demonstrated quality of Proposers’ goods and/or services in accordance with the Scope of Work described in Section 5.
 - 2.5.2.2 Quality Assurance Plan
- 2.5.3 Cost: (30%)**
- The cost to City required to secure Proposer’s proposed Services, including any long-term costs.
- 2.5.4 Responsiveness of Proposal : (10%)**
- The extent to which Proposer’s response relates to the specific environment, requirements, and needs of City; the quality and level of substantive detail and clarity of content provided in Proposer’s response.
- 2.5.5 Threshold Criteria Not Scored:**
- 2.5.5.1 Ability of City to comply with laws regarding Historically Underutilized Businesses; and
 - 2.5.5.2 Ability of City to comply with laws regarding purchases from persons with disabilities.
- 2.5.6 Supplemental Consideration.** As a supplement to the above-described criteria, City may consider any additional information and documentation submitted by a Proposer if City deems such information to be relevant, and to serve the best interests of, and provide the best value to, City.

2.6 Key Events Schedule

Issuance of RFP	April 15th, 2025, at 3:00PM Central
Deadline for Questions/Concerns	April 28th, 2025, at 5:00PM Central
Submittal Deadline & Bid Open	May 2nd, 2025, at 3:30PM Central

SECTION 3

SUBMISSION OF PROPOSAL

- 3.1** Proposals must be submitted through the City of Schertz e-procurement portal (Bonfire) at <https://schertz.bonfirehub.com/portal/?tab=openOpportunities>. You must register as a vendor through this portal to submit a proposal. Submissions by other methods will not be accepted. Minimum system requirements: Microsoft Edge, Google Chrome, Safari, or Mozilla Firefox. Javascript and browser cookies must be enabled.

Submission materials should be prepared in the file formats listed under Requested Information for this opportunity in the Bonfire Portal. The maximum upload file size is 1000 MB. Documents should not be embedded within uploaded files, as the embedded files will not be accessible or evaluated.

The City Request that the Execution of Offer and any/all signed Addendums be submitted as separate files with the proposal. Failure to include a signed Execution of Offer and any/all Addendums associated with the proposal WILL result in the proposal being rejected. A wet or digital signature will suffice.

3.2 Preparation and Submittal Instructions

The response to this RFP shall be submitted in the manner described in this Section. Failure to submit the Proposal in the manner specified may result in a premature opening of, post-opening of, or failure to open and consider that proposal and may be cause for elimination of that Respondent from consideration for award.

3.2.1 Overview of Proposed System / Scope of Services

This section of the proposal should include a general discussion of the proposer's overall understanding of the project, the scope of work, as defined in **Section 5**, and the proposed solution

3.2.2 Execution of Offer

The Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 6**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind the Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by the City, in its sole discretion.

3.2.3 Proposers Qualifications Questionnaire

Respondent shall provide responses to all questions identified in the questionnaire in **Section 7**.

3.2.4 Cost Proposal

Proposer must complete and return the Cost Proposal (ref. **Section 8** of this RFP), as part of its proposal. In the Cost Proposal, the Proposer should describe in detail (a) the total fees for the entire scope of the Services; and (b) the method by which the fees are calculated. The fees must be inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

The City will not recognize or accept any charges or fees to perform the Services that are not specifically stated in the Cost Proposal

In the Cost Proposal, Proposer should describe each significant phase in the process of providing the Services to The City, and the period within which Proposer proposes to be able to complete each such phase.

3.2.4 Addenda and Modifications

Any changes, additions, or clarifications to the IFB are made by amendments (addenda) and will be posted on the e-procurement portal. Any respondent in doubt as to the true meaning of any part of the IFB or other documents may request an interpretation from the Purchasing Department. At the request of the respondent, or in the event the Purchasing Department deems the interpretation to be substantive, the interpretation will be made by written addendum issued by the Purchasing Department. ALL addenda will be attached to the original IFB in the Public Purchase file and will become part of the IFB package having the same binding effect as provisions of the original IFB.

It shall be the respondent(s) responsibility to ensure that they have received all Addenda in respect to this project. Furthermore, respondents are advised that they must recognize, comply with, and attach a signed copy of each Addendum which shall be made part of their Submittal. Respondent(s) signature on Addenda shall be interpreted as the respondent's recognition and compliance to official changes as outlined by the City of Schertz and as such are made part of the original IFB documents.

Failure of any respondent to receive any such addendum or interpretation shall not relieve such Respondent from its terms and requirements. No verbal explanations or interpretations will be binding. The City does not assume responsibility for the receipt of any addendum sent to respondents

3.2.5 Sample Documents

IF APPLICABLE, Proposers should include sample copies of the documents and/or reports outlined in the scope of work. Although they are sample forms, the documents must contain all material terms so that the City can fairly evaluate the proposer's forms.

3.2.6 Additional Information

1. Certificate of Insurance showing Contractor is Insured
2. Copy of Completed Form 1295
3. Supplementary Information (if necessary)
4. Other supporting materials and work portfolio which demonstrates the firm's work quality.

3.3 Proposal Validity Period

Each proposal must state that it will remain valid for City's acceptance for a minimum of **ninety days (90)** days after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

SECTION 4**GENERAL TERMS AND CONDITIONS**

4. Should the City enter into an agreement as the result of this RFP, Contractor will be required to agree to the terms and conditions set forth in the City of Schertz Texas Purchase Order Terms and Conditions ([found here](#)) in addition to the following terms and conditions:
- (A) *Subletting.* The Contractor shall not sublet or transfer any portion of the work under this Agreement, or any Scope of Work issued pursuant to this Agreement unless specifically approved in writing by the City, which approval shall not be unreasonably withheld. Subcontractors shall comply with all provisions of this Agreement and the applicable Scope of Work. The approval or acquiescence of the City in the subletting of any work shall not relieve the Contractor of any responsibility for work done by such subcontractor.
- (B) *Compliance with Laws.* The Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Contractor shall furnish the City with satisfactory proof of compliance.
- (C) *Non-Collusion.* Contractor represents and warrants that Contractor has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or to obtain the work to be provided to the City under this Agreement. Contractor further agrees that Contractor shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the City pursuant to this Agreement) for any of the Work performed by Contractor under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Contractor, Contractor shall immediately report that fact to the City and, at the sole option of the City, the City may elect to accept the consideration for itself or to take the value of such consideration as a credit against the compensation otherwise owing to Contractor under or pursuant to this Agreement.
- (D) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

- (E) *Non-Boycott of Israel*. Pursuant to Section 2270.002 of the Texas Government Code, Contractor certifies that either (i) it meets an exemption criterion under Section 2270.002; or (ii) it does not boycott Israel and will not boycott Israel during the term of the contract resulting from this solicitation. Contractor shall state any facts that make it exempt from the boycott certification as an attachment to this agreement.

Relevant definitions from the bill:

"Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

"Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

- (F) *Non-Boycott of Energy*. Pursuant to Texas Senate Bill 13 (2021), Contractor certifies that either (i) it does not boycott Israel and will not boycott energy companies; and (2) will not boycott energy companies during the term of the contract resulting from this solicitation. Contractor shall state any facts that make it exempt from the boycott certification as an attachment to this agreement.
- (G) *Non-Boycott of Firearm Entity*. Pursuant to Texas Senate Bill 19 (2021), Contractor certifies that it: (a) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (b) will not discriminate during the term of the contract against a firearm entity or firearm trade association.
- (H) *Access to Premises*. Authorized representatives of the Contractor will be allowed access to the facilities on City premises at reasonable times to fulfil the obligations of the Contractor regarding such facilities. The contractor shall adhere to all City rules, regulations, and guidelines while on City property. It is expressly understood that the City may limit or restrict the right of access herein granted in any manner considered necessary (e.g., national security, public safety).
- (I) *Indemnification*. **CONTRACTOR AGREES TO INDEMNIFY AND HOLD THE CITY OF SCHERTZ, TEXAS AND ALL OF ITS PRESENT, FUTURE AND FORMER AGENTS, EMPLOYEES, OFFICIALS AND REPRESENTATIVES HARMLESS IN THEIR OFFICIAL, INDIVIDUAL AND REPRESENTATIVE CAPACITIES FROM ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, LIENS AND EXPENSES (INCLUDING ATTORNEY'S FEES, WHETHER CONTRACTUAL OR STATUTORY), COSTS AND DAMAGES (WHETHER COMMON LAW OR STATUTORY), COSTS AND DAMAGES (WHETHER COMMON LAW OR STATUTORY, AND WHETHER ACTUAL, PUNITIVE, CONSEQUENTIAL OR INCIDENTAL), OF ANY CONCEIVABLE CHARACTER, FOR INJURIES TO PERSONS (INCLUDING DEATH) OR TO PROPERTY (BOTH REAL AND PERSONAL) CREATED BY, ARISING FROM OR IN ANY MANNER RELATING TO THE WORK OR GOODS PERFORMED OR PROVIDED BY CONTRACTOR – EXPRESSLY INCLUDING**

THOSE ARISING THROUGH STRICT LIABILITY OR UNDER THE CONSTITUTIONS OF THE UNITED STATES.

- (J) *Dispute Resolution.* In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, to resolve the dispute.
- (K) *Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire*
The contractor represents that it is following the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code.

Certificate of Interested Parties

Effective January 1, 2016, pursuant to House Bill 1295 passed by the 84th Texas Legislature (Section 2252.908, Texas Government Code, as amended) and formal rules released by the Texas Ethics Commission (TEC), all contracts with private business entities requiring approval by the Schertz City Council will require the on-line completion of Form 1295 "Certificate of Interested Parties." Form 1295 is also required for all contract amendments, extensions or renewals. Contractors are required to complete and file electronically with the Texas Ethics Commission using the online filing application.

Please visit the State of Texas Ethics Commission website, https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm and <https://www.ethics.state.tx.us/tec/1295-Info.htm> for more information.

IF YOU HAVE ANY QUESTIONS ABOUT COMPLIANCE, PLEASE CONSULT YOUR OWN LEGAL COUNSEL. COMPLIANCE IS THE INDIVIDUAL RESPONSIBILITY OF EACH PERSON OR AGENT OF A PERSON WHO IS SUBJECT TO THE FILING REQUIREMENT. AN OFFENSE UNDER CHAPTER 176 IS A CLASS C MISDEMEANOR.

SECTION 5

SCOPE OF WORK

5.1 General

The minimum requirements and the specifications for the Services, as well as certain requests for information to be provided by the Proposer as part of its proposal, are set forth below.

5.2 Project Scope

Respondents to this RFP should demonstrate knowledge and experience in auditing.

5.2.1 The auditor is required to express an opinion on the fair presentation of the general-purpose financial statements in conformity with generally accepted accounting principles.

5.2.2 The auditor is required to audit the general-purpose financial statements, consisting of the combined statements for all fund types and account groups. However, the auditor is to provide an "in-relation-to" statement on the combining and individual fund financial statements and supplementary schedules based on the auditing procedures applied during the audit of the general-purpose financial statements. The auditor is not required to audit the statistical section of the report; this section will remain unaudited but should be reviewed.

5.2.3 The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

5.2.4 The auditor is required to audit the information contained in the schedule of federal financial assistance. This information should be subjected to the auditing procedures applied in the audit of the general-purpose financial statements and in accordance with Governmental Auditing Standards, the Single Audit Act as amended in 1996, and (OMB) Circular A-133. The auditor is to provide an opinion of the fair presentation of this schedule in relation to the general-purpose financial statements taken as a whole.

5.2.5 The scope of the City's annual audit, (or of any other work for which the Proposer is Engaged), can only be broadened with the express written consent of the City. The City will have the right to negotiate fees for work related to broadening the scope of any work for which the Proposer is engaged.

5.2.6 The auditor will be required to provide training on new Governmental Accounting Standards Board (GASB) releases as they are enacted and effective.

5.3 Reports to Be Issued

- 5.3.1** Following the completion of the audit of the fiscal year's financial statements, the auditor shall compile the Annual Comprehensive Financial Report (ACFR) and all reports currently required by State and Federal granters and by such as the American Institute of Certified Public Accountants, the Governmental Accounting Standards Board, the Government Finance Officers Association of the United States and Canada, and any other regulatory agencies. The auditor shall likewise issue any other reports subsequently required by these or similar entities following completion of the financial or single audit.
- 5.3.2** The schedule of federal financial assistance and related auditor's reports, as well as the reports on the internal control structure and compliance are not to be included in the ACFR but are to be issued separately.
- 5.3.3** In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit to the Finance Director. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.
- 5.3.4** Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls. The report on compliance shall include all instances of noncompliance.
- 5.3.5** Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications which they become aware of to the City Manager and Finance Director.
- 5.3.6** All reports will be addressed to the Mayor and City Council of the City and shall include, but are not limited to the following:
- 5.3.6.1** State the scope of the examination and that the audit was performed with generally accepted accounting principles and include a statement of opinion as to whether the statements conform to generally accepted accounting principles.
- 5.3.6.2** Reports of compliance must include a statement that the audit was conducted in accordance with applicable standards. The audit report must state where the examination disclosed instances of significant non-compliance and ineligible expenditure must be presented in enough detail for management to be able to understand them.
- 5.3.6.3** A management letter will be required. It should contain a statement of audit findings and recommendations affecting financial systems and statements, internal control, legality of

actions, other instances of non-compliance with laws and generally accepted accounting principles, and any other material matters.

5.3.6.4 Prior to the submission of the completed audit report the audit firm will be required to deliver and review the draft and the proposed management letter.

5.4 Preparation of Annual Comprehensive Financial Report (ACFR)

5.4.1 The auditor's staff also prepare all information included in the ACFR. The auditor reviews this information with City management prior to printing and will provide the City with an electronic copy and up to 25 printed copies of the ACFR. Because the ACFR must be released within six months after the fiscal year end (March 31) to be eligible for the GFOA Certificate of Achievement, coordination of schedules with the Finance Director will be essential for completing the ACFR before February 28th of each year. A listing of the year end close schedule is as follows:

5.4.2 TENTATIVE TIMETABLE

September 30	Fiscal Year Ends
September 30 – October 18	Preliminary Planning Meetings and Audit Plan Development
November 22	Interim Audit Fieldwork and prepare year end close
December 2	Year-end system-generated reports available. Staff prepare trial balances and schedules.
December 9	Auditors begin on-site field work
January 15	All audit fieldwork should be virtually completed, and auditors should withdraw from the field
January 15	ACFR returned to Finance Director's Office for review. Draft management letter and single audit report due.
January 23	Meeting with City Manager and Executive Directors
February 11	Meetings with Audit Committee and SEDC Executive Director
February 25	Audit Report presented to Council
February 27	Audit report presented to SEDC Board
March	Assist with GFOA Response

5.5 Supplementary Audit Reports

5.5.1 The auditor will issue supplementary audit reports for use by the governing bodies of discretely presented component units that are part of the main audit. Entities include but are not restricted to the Schertz Economic Development Corporation.

5.5.1.1 Schertz Economic Development Corporation

5.6 Required Meetings

5.6.1 The auditor will conduct the following meetings prior to submission of the completed audit and comprehensive annual financial report with:

- 5.6.1.1 Finance Director and his staff**
- 5.6.1.2 City Manager and Assistant City Managers**
- 5.6.1.3 Schertz Economic Development Executive Director**
- 5.6.1.4 Audit Committee**

5.7 Required Presentations

The auditor will conduct the following presentations upon completion of the Audit and Comprehensive Annual Financial Report:

- 5.7.1 City Council**
- 5.7.2 Schertz Economic Development Board**

5.8 Description of Entity and Records to be audited

5.8.1 The financial reporting entity includes all the funds and account groups of the primary government. The City has the following component units:

- 5.8.1.1 Schertz Economic Development Corporation**
- 5.8.1.2 The Library Advisory Board**
- 5.8.1.3 General ledger, general journal, subsidiary records, fixed assets, accounts receivable, accounts payable, cash collections, investments, investment reports, bank reconciliations, payroll, accrual schedules, TMRS and payroll reports, revenues, expenses, and related financial records**

5.9 Manuals and Information Sources Available

- 5.9.1 Minutes of City Council meetings**
- 5.9.2 Minutes of the Schertz Economic Development Board**
- 5.9.3 Ordinances**
- 5.9.4 Agreements**
- 5.9.5 Accounting function work description of General Ledger**
- 5.9.6 By-laws.**
- 5.9.7 Adopted Budget and Amendments**
- 5.9.8 City Staff**

5.10 Fixed Assets

Details of fixed assets are maintained. Fixed assets are based on cost when available, otherwise on estimates authorized by the Finance Director.

5.11 Working Papers

The firm selected shall maintain all working papers for a period of at least five years after the fiscal year end. The auditor shall make available all original working papers for examination by authorized representatives of Federal and State agencies, the City's Finance Director, and any other entity to which access has been granted in writing by the City's Finance Director. Before the audit is finalized, the working papers, schedules and worksheets will be sent to Finance Director in excel and/or word format. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing financial significance.

SECTION 6

EXECUTION OF OFFER

Proposal of: _____
(Proposer Company Name)

To: **The City of Schertz**

RFP Title: **Financial Auditing Services**

RFP#: **2025-009**

This Proposal shall remain in effect for the Proposal Validity Period (ref Section 3.3) and shall be exclusive of federal excise and state and local sales tax (exempt).

The person signing this Response on behalf of the Offeror represents to Owner that:

- (1) The information provided herein is true, complete and accurate to the best of the knowledge and belief of the undersigned; and
- (2) He/she has full authority to execute this Response on behalf of Offerors.
- (3) Offeror has received the Addenda to this RFP, specifically, Addenda numbered _____.

Executed this _____ day of _____, _____.

Entity Name

Signature

Street & Mailing Address

Print Name of Signatory

City, State, and Zip

Title of Signatory

Telephone Number

Fax Number

Email Address

Mobile Number

SECTION 7

PROPOSER'S STATEMENT OF QUALIFICATION

Proposals must include responses to the questions contained in this section. The proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, the Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. The proposer will explain the reason when responding N/A or N/R.

7.1 Proposer Profile

7.1.1 Number of years in Business: _____

State of incorporation: _____

Number of Employees: _____

Annual Revenues Volume: _____

Name of Parent Corporation, if any _____

7.1.2 State whether Proposer will provide a copy of its financial statements for the past two (2) years, if requested by the City.

7.1.3 Proposer will provide a financial rating of the Proposer entity and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.

7.1.4 Is Proposer currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, the Proposer will explain the expected impact, both in organizational and directional terms.

7.1.5 Proposer will provide any details of all past or pending litigation or claims filed against Proposer that would affect its performance under the Agreement with City (if any).

7.1.6 Is Proposer currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, the Proposer will specify the pertinent date(s), details, circumstances, and describe the current prospects for resolution.

7.1.7 Proposer will provide a customer reference list of no less than three (3) organizations with which Proposer currently has contracts and/or to which Proposer has previously provided services (within the past five (5) years) of a type and scope like those required by City's RFP. Proposer will include in its customer reference list the customer's company name, contact person, telephone number, project description, length of business relationship, and background of services provided by Proposer.

- 7.1.8** Does any relationship exist (whether by family kinship, business association, capital funding agreement, or any other such relationship) between the Proposer and any employee of the City? If yes, the Proposer will explain.

7.2 Approach to Project Services

- 7.2.1** Proposer will provide a statement of the Proposer's service approach and will describe any unique benefits to the City from doing business with Proposer. The proposer will briefly describe its approach for each of the required services identified in **Section 5**, Scope of Work of this RFP.
- 7.2.2** Proposer will provide an estimate of the earliest starting date for services following execution of the Agreement.
- 7.2.3** Proposer will submit a work plan with key dates and milestones. The work plan should include:
- 7.2.3.1** Identification of tasks to be performed.
 - 7.2.3.2** Time frames to perform the identified tasks.
 - 7.2.3.3** Project management methodology.
 - 7.2.3.4** Project roles and responsibilities.
 - 7.2.3.5** Project change control procedure; and
 - 7.2.3.4** Implementation strategy.
- 7.2.4** Proposer will describe the types of reports or other written documents Proposer will provide (if any) and the frequency of reporting, if more frequent than required in the RFP. The proposer will include samples of reports and documents if appropriate.

7.3 Miscellaneous

- 7.3.1** Proposer will provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to the City.
- 7.3.2** Proposer will provide details describing any unique or special services or benefits offered or advantages to be gained by the City from doing business with Proposer. Additional services or benefits must be directly related to the goods and services solicited under this RFP.

SECTION 8

COST PROPOSAL

Proposal of: _____
(Proposer Company Name)

To: **The City of Schertz**

RFP Title: **Financial Auditing Services**

RFP#: **2025-009**

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the services required pursuant to the above-referenced Request for Proposal upon the terms quoted below.

8.1 Pricing for Services

The proposer should describe in detail (a) the total fees for the entire scope of the Services; and (b) the method by which the fees are calculated. The fees must be inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

The City will not recognize or accept any charges or fees to perform the Services that are not specifically stated in this Cost Proposal

In this Cost Proposal, Proposer should describe each significant phase in the process of providing the Services to The City, and the period within which Proposer proposes to be able to complete each such phase.

Description	Cost	Cost w/Single Audit
City of Schertz Financial Audit (Year 1)		
Schertz Economic Development Center (Year 1)		
City of Schertz Financial Audit (Year 2)		
Schertz Economic Development Center (Year 2)		
City of Schertz Financial Audit (Year 3)		
Schertz Economic Development Center (Year 3)		
City of Schertz Financial Audit (Year 4)		
Schertz Economic Development Center (Year 4)		
City of Schertz Financial Audit (Year 5)		
Schertz Economic Development Center (Year 5)		

8.2 Payment Terms

City's standard payment terms for services are "Net 30 days." Should the contractor desire an exception to those terms, Contractor shall define the requested terms to included, but not limited to, milestone pricing, etc.

Exhibit "B"

REQUIREMENTS FOR ALL INSURANCE DOCUMENTS

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the City. Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Schertz accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

INSTRUCTIONS FOR COMPLETION OF INSURANCE DOCUMENT

With reference to the foregoing insurance requirements, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Schertz shall be named as an additional insured with respect to General Liability and Automobile Liability **on a separate endorsement.**
2. A waiver of subrogation in favor of The City of Schertz shall be contained in the Workers Compensation and all liability policies and must be provided **on a separate endorsement.**
3. All insurance policies shall be endorsed to the effect that The City of Schertz will receive at least thirty (30) days written notice prior to cancellation or non-renewal of the insurance.
4. All insurance policies, which name The City of Schertz as an additional insured, must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.
5. **Chapter 1811 of the Texas Insurance Code, Senate Bill 425 82(R) of 2011, states that the above endorsements cannot be on the certificate of insurance. Separate endorsements must be provided for each of the above.**
6. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Schertz of any material change in the insurance coverage.
7. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.
8. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
9. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Schertz.
10. Insurance must be purchased from insurers having a minimum AmBest rating of B+.
11. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. (ACORD 25 2010/05). Coverage must be written on an occurrence form.
12. Contractual Liability must be maintained covering the Contractors obligations contained in the contract. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting all endorsements and insurance coverages according to requirements and instructions contained herein.
13. Upon request, Contractor shall furnish The City of Schertz with certified copies of all insurance policies.
14. A valid certificate of insurance verifying each of the coverages required above shall be issued directly to the City of Schertz within ten (10) business days after contract award and prior to starting any work by the successful Contractor's insurance agent of record or insurance company. Also, prior to the start of any work and at the same time that the

Certificate of Insurance is issued and sent to the City of Schertz, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Schertz. The certificate of insurance and endorsements shall be sent to:

City of Schertz
Purchasing Department
1400 Schertz Parkway
Schertz, TX 78154

emailed to: purchasing@schertz.com
 Faxed to: 210-619-1169

ACORD® **CERTIFICATE OF LIABILITY INSURANCE** **A** DATE (MM/DD/YYYY)
01/01/1000

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER ABC Insurance Agency 655 Main Street Tampa, FL 33333-0000	CONTACT NAME: PHONE (Area No., Ext.): FAX (Area No., Ext.): ADDRESS:	TAX ID No.: INSURER(S) AFFORDING COVERAGE	NAIC #
INSURED XYZ Company 123 Apple Street Tampa, FL 22222-0000	INSURER A: Insurance Carrier		00000
	INSURER B: Insurance Carrier		00000
	INSURER C: Insurance Carrier		00000
	INSURER D: Insurance Carrier		00000
	INSURER E: Insurance Carrier		00000
	INSURER F: Insurance Carrier		00000

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURER (YY)	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
F	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	H	X12345B	01/01/1000	01/01/1000	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 6,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOP AGG \$ 1,000,000
A	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO <input type="checkbox"/> LOC <input type="checkbox"/>					
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS HIRED AUTOS	J	123456700	01/01/1000	01/01/1000	COUSINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Pw person) \$ BODILY INJURY (Pw accident) \$ PROPERTY DAMAGE (Pw accident) \$
C	UMBRELLA LIAB EXCESS LIAB	K				EACH OCCURRENCE \$ AGGREGATE \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICEMEMBER EXCLUDED? (Mandatory in TX) If yes, describe under DESCRIPTION OF OPERATIONS below	N	01234	01/01/1000	01/01/1000	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS E L EACH ACCIDENT \$ 600,000 E L DISEASE - EA EMPLOYEE \$ 500,000 E L DISEASE - POLICY LIMIT \$ 500,000
E	Builder's Risk Professional Services	L	12345B	01/01/1000	01/01/1000	100% Insurable Value, replacement cost basis \$1,000,000 each claim / \$1,000,000 aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Effective January 1, 2012 must be compliant with Chapter 1011, Tex. Ins. Code (SB 426 enacted by Texas Legislature 02(7) session in 2011).

CERTIFICATE HOLDER City of Schertz 1400 Schertz Parkway Schertz, Tx 78154 Attn: Purchasing Dept.	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE AUTHORIZED SIGNATURE REQUIRED HERE
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(Instructions for completing and submitting a certificate to the City of Schertz)

Complete the certificate of insurance with the information listed below:

- A) Certificate of Insurance date
- B) Producer (Insurance Agency) Information – complete name, address, telephone information, & email address.
- C) Insured's (Insurance Policy Holder) Information – complete name & address information
- D) Insurer (name/names of insurance company) **(Remember the city requires all insurance companies to be Authorized to do business in the State of Texas be rated by A.M. Best with a rating of B+ (or better) Class VI (or higher) or otherwise be acceptable to the City if not rated by A.M. Best)
- E) NAIC # (National Association of Insurance Commissioners, a # that is assigned by the State to all insurance companies)
- F) Insurer letter represents which insurance company provides which type of coverage from D
- G) General Liability Insurance Policy – must have an (x) in box. Also, "Occurrence" type policy – must have an (x) in the box (occurrence policy preferred but claims made policy can be accepted with special approval)
- H) This section shall be filled in with "Y" for yes under Additional Insured for all coverages, except for Contractor Liability and Workers' Compensation. There shall also be a "Y" for yes under all coverages for subrogation waived.
- I) Automobile Liability Insurance – must be checked for Any Auto, All Owned Autos, Hired Autos
- J) Umbrella Coverage – must be checked in this section and by occurrence whenever it is required by written contract and in accordance with the contract value.
- K) Worker's Compensation and Employers Liability Insurance – information must be completed in this section of the certificate of insurance form (if applicable).
- L) Builder's Risk Policy – for construction projects as designated by the City of Schertz.
Professional Liability Coverage – for professional services if required by the City of Schertz.
- M) Insurance Policy #'s
- N) Insurance policy effective dates (always check for current dates)
- O) Insurance Policy limits (See Insurance Requirements Checklist)
- P) This section is to list projects, dates of projects, or location of project. Endorsements to the insurance policy(ies) must be provided separately and not in this section. The following endorsements are required by the City of Schertz.
 - (1) Adding the City of Schertz as an additional insured. The "additional insured" endorsement is not required for professional liability and workers compensation insurance; and
 - (2) Waiver of Subrogation
 - (3) Primary and Non-Contributory
 - (4) Cancellation Notice
- Q) City of Schertz's name and address information must be listed in this section
- R) Notice of cancellation, non-renewal, or material change to the insurance policy(ies) must be provided to the City of Schertz in accordance with a cancellation notice endorsement to the policy and/or per the policy provisions based on the endorsement adding the city as an additional insured. (Sec. 1811.155, Tex. Ins. Code)

S) The certificate must be signed by the Authorized Agent in this section of the certificate form.

Exhibit "C"

EVIDENCE OF INSURANCE