



LEON COUNTY AUDITOR'S OFFICE

Susan Pugh, Auditor

P.O. Box 898, 113 West Main Street, Centerville, Texas 75833 903/536-2709 903/536-5801-FAX

REQUEST FOR PROPOSAL

Date Due: December 1, 2008 no later than 2:00 P.M. Proposals received later than this date and time will not be considered. Proposals will be received and publicly acknowledged by the Leon County Auditor's office at the Leon County Annex I at 2:05 P.M. in the Commissioner's Court room.

Carefully read all instructions, requirements and specifications. Fill out all forms properly and completely. Submit your proposal with all appropriate supplements and or samples.

Be sure that return envelope shows the **PROPOSAL DESCRIPTION AND IS MARKED "SEALED PROPOSAL."**

**RETURN PROPOSAL TO:
Leon County Auditor
P.O. Box 898
Centerville, TX 75833**

For additional information, contact Susan Pugh at (903) 536-2709

You must sign below in INK; failure to sign WILL disqualify the offer. All prices must be typewritten or written in ink.

Company Name: _____

Company Address: _____

City, State, Zip Code: _____

Taxpayer Identification Number (T.I.N) _____

Telephone No. _____ FAX No. _____ E-mail _____

Print Name: _____ Signature: _____ Date: _____

(Your signature attests to your offer to provide the goods and/or services in this proposal according to the published provisions of this Job. When an award letter is issued, it becomes a part of this contract.)

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A. GENERAL INFORMATION

Leon County's intent of this Request for Proposal is to obtain proposals from and the services of a qualified and certified public accountant, with extensive experience in the Auditing Services for government agencies, to audit its financial statements for the year ending September 30, 2008, with the option for year-to-year engagement.

The sealed proposal shall be submitted to:

Susan Pugh
Leon County Auditor
P.O. Box 898
Centerville, Texas 75833

There is no expressed or implied obligation for Leon County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Proposals submitted will be evaluated by the Auditor's office, which will make a recommendation to the Commissioners' Court for its consideration and subsequent selection.

During the evaluation process, the Auditor's office and the Commissioners' Court, reserve the right, where it may serve the County's best interest, to request additional information or clarifications from offeror, or to allow corrections of errors or omissions. The award of the contract shall be made to the responsible offeror resulting from negotiations, taking into consideration the relative importance of price and other factors set forth in the RFP in accordance with the Texas Local Government Code, Chapter 262.

Leon County reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates at a minimum acceptance by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County and the firm selected.

A proposal may not be withdrawn or canceled by the offeror for a period of ninety (90) days following the date designated for the receipt of proposal, and offeror so agrees upon submittal of their proposal. Any proposal alteration, interlineations, or erasure made before receiving time must be initialed by the signer of the proposal, guaranteeing authenticity.

Proposals will be received and publicly acknowledged at the location, date, and time stated on the cover page. Offeror, their representatives and interested persons may be present. Proposals shall be received and acknowledged only so as to avoid disclosure of the contents to competing offerors and kept secret during the negotiation/evaluation process. (**Reference VTAC, 262.030**). However, all proposals shall be open for public inspection after the contract is awarded, except for confidential information contained in the proposal so identified by offeror as such.

It is anticipated the selection of a firm will be completed by **December 8, 2008**.

B. TERM OF ENGAGEMENT

The contract will be subject to the annual review and recommendation of the Auditor's office and the Commissioners Court, the satisfactory negotiation of terms (including a price acceptance to both Leon County and the selected firm), and the annual availability of budgeted appropriations.

C. EVALUATION CRITERIA AND FACTORS

The award of the contract shall be made to the responsible offeror whose proposal is determined to be the lowest evaluated offer resulting from negotiations, taking into consideration the relative importance of price and other factors set forth in the Request for Proposals in accordance with the Texas Local Government Code, Chapter 262. The evaluation criteria will be grouped into factors as follows:

Offeror's total proposed price

1. Total costs of proposal
2. Cost proposals compliance with minimum specifications
3. Cost proposals compatibility with owner stated purpose

Offeror's Qualifications/Experience

1. Demonstrated prior experience in providing similar services
2. Capability to provide responsive service
3. Offeror's ability to perform

The proposed services meeting Leon County's needs and requirements

1. Adherence to requirement of RFP
2. Offeror's responsibility clearly defined
3. Leon County's participation and responsibility clearly defined
4. Demonstrated ability to fully meet the needs of Leon County

SPECIFICATIONS AND REQUIREMENTS OF SERVICES TO BE RENDERED INDEPENDENT AUDIT SERVICES

A. GENERAL

These audits are to be performed in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants, the AICPA Industry Audit Guide, Audits of State and Local Governments, the standards set forth for financial audits in the Government Auditing Standards, issued by the Comptroller General of the United States of America, the requirements of the State and Federal Single Audit Act as set forth in OMB Circular A -133, and the provisions of the General Accounting Standards Board Statement number 34, as well as the following additional requirements.

Financial and Grant Audit of the Juvenile Probation Department for the fiscal year ending **August 31, 2008** in compliance with the requests of the Texas Juvenile Probation Commission.

B. REPORT PREPARATION

The writing and preparation of the comprehensive annual financial report and Juvenile Probation department report shall be the responsibility of the independent auditor. The independent auditor shall be required to transfer Leon County's financial information from Cash Basis Accounting to GASB compliant. The independent auditor shall provide **fifteen (15)** copies of the written report and **fifteen (15)** copies of the Juvenile Probation Department reports. The independent auditor will be required to present the audit report to the Commissioner's Court during a regular meeting.

C. ADDITIONAL AUDIT REPORTS

The auditing firm will audit and provide a separate report as required by the Texas Juvenile Probation Commission on TJPC Funds.

D. RETENTION AND AVAILABILITY OF WORKING PAPERS

The auditing firm must retain the audit working papers for a period of not less than five years after the date of the auditor's opinion or until notified that all cognizant agency reviews have been accomplished. The County reserves the right to request copies of selected work papers and schedules as legitimate needs arise for no additional fees other than actual reproduction costs.

E. EXPERIENCE AND LOCAL PRESENCE

The proposing firms are to possess substantial experience in governmental auditing and accounting, and must have access to the resources necessary to address technical issues that may arise during the course of the engagement.

The firms are also expected to have and maintain a local presence capable of staffing the engagement. Working papers, ledgers, reports, etc. cannot be removed to the offeror's office. Therefore, offeror must assign sufficient staff to conduct the audit in Leon County offices. Offeror must also provide or assign staff to answer questions and work with Leon County throughout the year.

F. KEY PERSONNEL

Prior to beginning the work, the proposing firms will designate the personnel and commit to using those individuals to perform the County's audit. Audit partner, manager, and site supervisor shall be specifically identified.

G. STAFFING PATTERNS AND ASSIGNMENTS

The overriding consideration in making staff assignments to the County's audit should be to assign those individuals whose skills best fit the audit requirements. However, in making assignments, the offeror should utilize the same standards of quality in terms of skill and expertise afforded to its other municipal and commercial clients.

H. INSURANCE

Proposing firm shall provide proof of Errors and Omissions Liability Insurance of at least \$1,000,000 aggregate per year with proposal.

BACKGROUND INFORMATION INDEPENDENT AUDIT SERVICES

A. CONTACT PERSONS

The external auditor's principal contact with Leon County will be:

Susan Pugh
County Auditor
P.O. Box 898
Centerville, Texas 75833
(903) 536-2709

B. ASSISTANCE TO BE PROVIDED TO THE INDEPENDENT AUDITOR

Interested offerors who wish to obtain prior years audit reports, or needing additional information about the RFP, or the operations of the County may contact:

Susan Pugh
County Auditor
(903) 536-2709

The County Auditor's staff will provide computer-generated ledgers, trial balances and any other audit schedules, which can be generated through the current software applications. Due to time constraints and a limited staff, discretion to provide or assist in the preparation of audit work papers and schedules rests solely with the County Auditor.

AUDIT SCHEDULE INDEPENDENT AUDIT SERVICES

A. Comprehensive Annual Financial Report

The offeror will provide a schedule outlining date offeror is available to begin audit, date fieldwork shall be completed, date draft reports shall be submitted and date final report will be delivered for the 2008 audit. A similar outline for subsequent audit years shall be submitted and will be subject to the County Auditor's approval.

B. Juvenile Probation Department

Proposed schedule must comply with the requests of the Juvenile Probation Commission and will be subject to the County Auditor's approval.

SUBMITTAL

For proper comparison and evaluation, Leon County requests that proposals be organized in the manner stated below.

Title Page

Show the RFP subject, the name of the offeror's firm, address, telephone number, name of the contact person, and the date.

Table of Contents

Include a clear identification of the material by section and by page number.

Letter of Transmittal

Limit to one or two pages.

A statement that the offeror will perform the work stated in these specifications and that the services provided will conform in all aspects to the requirement stated within this RFP.

State that the person signing the letter will be authorized to bind the offer.

Scope and Audit Approach

Describe the scope of the required services to be provided in terms of the matter discussed in the preceding sections. The offeror's specific audit approach should be set forth in the proposal and should include an explanation of the audit methodology to be followed.

Summary of Offeror's Qualifications

Briefly describe the firm, location, and range of activities engaged in the practice of public accountancy.

Confirm that offerors are certified public accountants presently engaged in the practice of public accountancy.

Affirm that offerors are independent.

Identify the Partner and Manager who will work on the audit. Include a resume for each supervisory person to be assigned to the audit.

Include information, which attests to the offeror's auditing experience, particularly in auditing counties in Texas. Specifically, include a reference list of local government audit clients and any GFOA certificates of achievement for excellence in financial reporting awarded.

A statement outlining the audit schedule and a proposed time frame.

Affirm that the offeror has completed external quality review with unqualified opinion.

Examination Approach and Compensation

Summarize the work plan to accomplish the scope defined in these guidelines and the maximum fee for which the requested work will be done. Include detail of price including the number of staff and staff hours that will be committed to the audit. Costs should be stated for the following:

1. Professional services to perform the audit.
2. Single Audit procedures and reporting as required.
3. Preparation of the Comprehensive Annual Financial Report.
4. Review and response of GFOA certification comments.
5. Services to reconcile and adjust fund balances for proper reporting.

Offeror will need to propose two cost figures: one for the Leon County Audit and one for the Juvenile Probation Department Audit.

References

Offeror shall submit with this proposal a list of at least five (5) references where like services have been performed by their firm, as required on the attached Reference Form. Include name of firm, address, telephone number and name of representative. List at least three current clients and two previous clients.

ADDITIONAL INFORMATION INDEPENDENT AUDIT SERVICES

Leon County's budget for 2007-2008 was \$21,984,236. More detailed information on the government and its finances can be found within the last annual report.

Leon County has approximately 28 departments headed by elected and appointed officials.

The County is structured so that cash collections are decentralized. The Leon County Treasurer maintains 4 bank accounts, the Tax Assessor/Collector maintains 2 bank accounts, and the Sheriff's Office maintains 3 bank accounts while the County and District Clerks maintain numerous Trust Fund accounts.

A single audit of grants must be performed in conjunction with the financial audit if the audit firm determines that the County meets the requirements.

Employees participate in the Texas County and District Retirement System. The Commissioners' Court establishes the level of participation annually. Participation in the plan is required. Actuarial services for the plan are provided by the Texas County and District Retirement System and are usually available in July of each year.

The Leon County Treasurer manages Leon County's payroll with approximately 130 employees on a semi-monthly basis.

The County did not have any outstanding debt at September 30, 2008.

All idle funds are invested in certificates of deposit.

Computer systems operate on onsite servers. Leon County's financial software package is through Hill Country.

**VENDOR REFERENCES
INDEPENDENT AUDIT SERVICES**

Please list three (3) references of current customers who can verify the quality of service your company provides. The County prefers customers of similar size and scope of the work to this proposal. **THIS FORM MUST BE RETURNED WITH YOUR PROPOSAL.**

REFERENCE ONE

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE TWO

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE THREE

Government/Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE FOUR

Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____

REFERENCE FIVE

Company Name: _____

Address: _____

Contact Person and Title: _____

Phone: _____ Fax: _____

Contract Period: _____ Scope of Work: _____