



**CITY OF WILLIS, TEXAS  
REQUEST FOR PROPOSALS (RFP)**

**RFP NO. 2022-01  
INDEPENDENT FINANCIAL AUDIT  
SERVICES**

**DUE DATE:  
OCTOBER 28, 2022 4:30 P.M.**



## **NOTICE OF REQUEST FOR PROPOSALS RFP NO. 2022-01**

The City of Willis will accept sealed Proposals for Independent Financial Audit Services until 4:30 P.M., October 28, 2022. **Proposals received after this time will not be considered.**

Proposals will be selected on November 15, 2022, at 5:30 p.m. All persons are invited to attend if interested at the City of Willis Council Room at 200 N Bell Street, Willis, Texas 77378.

Please mark on the outside of the envelope and on any carrier's envelope: "RFP NO. 2022-01 for Independent Financial Audit Services", and send to the attention of City Secretary Marissa Quintanilla, 200 N. Bell Street, Willis, TX 77378.

The City of Willis will not be responsible in the event that the U.S. Postal Service or any other courier system fails to deliver the sealed proposals to the City of Willis by the given deadline above. Electronic transmission or facsimile of Proposals will not be acceptable.

The City of Willis reserves the right to reject any or all responses and to waive irregularities contained therein and to accept any response deemed most advantageous to the City of Willis.

Sheyi Ipaye, CPM  
City Manager  
City of Willis, Texas

**ACKNOWLEDGEMENT FORM**  
**(Complete & Submit Upon Receipt)**

Request for Proposal for Independent Financial Audit Services

Please fax or mail this page upon receipt of the RFP package and legal notice.

Check one:

- Yes, I will be able to send a response based on the RFP packed received.**
- Yes, I will be able to send a response based on the RFP packaged obtained from the City Willis website.**
- No, I will not be able to send a response to this RFP for the following reason:**

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If you are unable to send your response to the RFP, kindly indicate your reason above and return this form to Marissa Quintanilla, City Secretary, City of Willis via email:

[mquintanilla@ci.willis.tx.us](mailto:mquintanilla@ci.willis.tx.us)

Date: \_\_\_\_\_

Company: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**ETHICS STATEMENT**  
**(Complete and Return this Form with Response)**

The undersigned firm, by signing and executing this RFP, certifies and represents to the City of Willis that the firm has not offered, conferred, or agreed to confer any pecuniary benefit, as defined by (1. 07 (a) (6) of the Texas Penal Code, or any other thing of value as consideration for the receipt of information or any special treatment of advantage relating to this RFP; the firm also certifies and represents that the firm has not offered, conferred or agreed to confer any pecuniary benefit or other thing of value as consideration for the recipient's decision, opinion, recommendation, vote or other exercise of discretion concerning this RFP, the firm certifies and represents that firm has neither coerced nor attempted to influence the exercise of discretion by any officer, trustee, agent or employee of the City of Willis concerning this RFP on the basis of any consideration not authorized by law; the firm also certifies and represents that firm has not received any information not available to other firms so as to give the undersigned a preferential advantage with respect to this RFP; the firm further certifies and represents that firm has not violated any state, federal, or local law, regulation or ordinance relating to bribery, improper influence, collusion or the like and that firm will not in the future offer, confer, or agree to confer any pecuniary benefit or other thing of value of any officer, trustee, agent or employee of the City of Willis in connection with information regarding this RFP, the submission of this RFP, the award of this RFP or the performance, delivery or sale pursuant to this RFP.

**THE FIRM SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY OF WILLIS, ALL OF ITS OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDING, COST, DAMAGES AND LIABILITIES ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY ACTS FOR OMISSIONS OF FIRM OR ANY AGENT OR EMPLOYEE OF FIRM IN THE EXECUTION OR PERFORMANCE OF THIS RFP.**

I have read all of the specifications and general RFP requirements and do hereby certify that all items submitted meet specifications.

FIRM: \_\_\_\_\_  
OFFICER NAME: \_\_\_\_\_  
OFFICER SIGNATURE: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
CITY: \_\_\_\_\_  
STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_ FAX: \_\_\_\_\_  
FEDERAL ID #: \_\_\_\_\_

DEVIATIONS FROM SPECIFICATIONS IF ANY:

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**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS  
(Complete and Return this Form with Response)**

Name of Entity: \_\_\_\_\_

The prospective participant certifies to the best of their knowledge and belief that they, the principals in the firm, and the firm:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible from practicing public accountancy in the State of Texas and or the United States of America.
2. Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from conducting and business and or financial transactions by any department or agency of Federal, State, and or local government.
3. Have not been convicted of, had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
4. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, Local) with commission of any of the offenses enumerated in item 3 above of the certification; and
5. Have not within a five-year period preceding this RFP had one or more public transactions (Federal, State, Local) terminated for cause of default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 U.S.C. Section 1001, a false statement may result in a fine up to a \$10,000.00 or imprisonment for up to five (5) years, or both.

\_\_\_\_\_  
Name and Title of Authorized Representative

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

I am unable to certify to the above statements. My explanation is attached.

# CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

## FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

### OFFICE USE ONLY

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

\_\_\_\_\_  
Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes       No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes       No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

**6**  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**

\_\_\_\_\_  
Signature of vendor doing business with the governmental entity

\_\_\_\_\_  
Date

## **DESCRIPTION OF THE CITY**

The City of Willis is a political subdivision and municipal corporation of the State of Texas (the “State”), duly organized and existing under the laws of the State including the City’s Home Rule Charter adopted by voters in 2008.

The City operates as a Home Rule City under a Council-Manager form of government with a City Council comprised of the Mayor and five Council Members. The Mayor is the chief executive officer for the City of Willis.

## **THE CITY COUNCIL**

The governing body of the City, The City Council, is composed of a Mayor and five Council Members each elected for a term of two years. The Mayor and Council Members for Place 1, 2, 3, 4, and 5 are elected from the City at-large. The current members of the City Council are:

Mayor:	Leonard Reed
Mayor Pro Tem:	Tom Luster, Place 4
Council Members:	Ashley Nixon, Place 1
	Barney Stone, Place 2
	Thomas Belinoski, Place 3
	William Brown, Place 5

## **THE CITY OF WILLIS ORGANIZATION**

The City of Willis provides all general municipal services within the City limits through the following City Departments:

1. Office of the City Manager
2. Building Inspection (Permits, Code Enforcement)
3. City Secretary
4. Economic Development
5. Police Department
6. Financial Services (Budget & Accounting, Utility Billing, Municipal Court, Permits)
7. Human Resources
8. Parks
9. Public Works (Water, Wastewater, Street Maintenance)

The approved budget for Fiscal Year 2021-22 totals \$8,830,000 for all funds and includes 48 authorized full time equivalent positions. A copy of the City of Willis’ approved budget for Fiscal Year 2021-22 is available on the City’s website at: [www.ci.willis.tx.us/240/City-Budget](http://www.ci.willis.tx.us/240/City-Budget)

## **CITY’S FINANCIAL SERVICES DEPARTMENT ORGANIZATION**

The Financial Services Department is comprised of four divisions; Budget and Accounting, Utility Billing, Municipal Court, and Permits.

**Budget and Accounting:** The responsibilities of Budget and Accounting includes managing account, financial reporting, and transaction processing functions such as cash receipt/bank deposits, accounts payable, accounts receivable, payroll, bank reconciliation, fixed assets, investments, general accounting, property tax and utility rates development, budget development and monitoring, financial analyses, and financial reporting.

**Utility Billing:** This division is primarily responsible for customer service, service turn on and disconnects, meter reading, billing and collection for water, wastewater, and solid waste services.

**Municipal Court:** Responsibilities include adjudication of all Class C Misdemeanor violations with the City limits of Willis including processing of warrants, citation, dismissals, acceptance of payments, and payment plans. Provides administrative support to the Municipal Court Judge for court sessions.

### **CITY OF WILLIS' FUND STRUCTURE**

The City of Willis' fund structure for accounting and financial reporting purposes for Fiscal Year 2021-22 is as follows:

### **RETIREMENT SYSTEM**

The City of Willis is a participant in the Texas Municipal Retirement System. The City also offers an optional 457 Deferred Compensation Plan to its employees through Nationwide

### **COMPUTER SOFTWARE SYSTEMS**

The City of Willis currently utilizes the following computerized system software for the functions shown below:

- |               |                           |
|---------------|---------------------------|
| 1. Blackbaud  | Fund accounting           |
| 2. AVR        | Utility Billing           |
| 3. Neptune    | Water Meter Reading       |
| 4. LT Systems | Municipal Court           |
| 5. BluePrince | Permits                   |
| 6. Outlook    | Email, Calendar           |
| 7. Brazos     | Traffic Citations         |
| 8. Spillman   | Police Records Management |

### **SCOPE OF SERVICES**

The City of Willis is requesting proposals from firms licensed to practice public accountancy in the State of Texas to examine its financial statements and to render an opinion on the fair presentation of the City's financial position and the changes in financial position and cash flows in conformity with accounting principles generally accepted in the United States of America.

The examination of the City of Willis' financial statements should be made in accordance with:



- A. Auditing standards generally accepted in the United States of Americas as included in Statements on Auditing Standards, published by the American Institute of Certified Public Accountants.
- B. Standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.
- C. Provisions of relevant General Accounting Standards Board Statements.

The selected auditing firm will be required to prepare the following reports:

- A. Independent Auditor’s Report.
- B. Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters in Accordance with Government Auditing Standards
- C. All other reports required of the independent auditor examining the financial statements of the City of Willis in accordance with the standards listed above.
- D. Exit conferences will be held by the City Manager and the Director of Finance.

The successful auditing firm will be expected to provide advisory guidance of City staff during their course of audit work for:

- A. Accounting and other technical matters as needed to keep the City of Willis in compliance with any changes in governmental accounting and financial reporting standards.

**APPLICABILITY OF A-133 AUDIT REQUIREMENTS**

The City of Willis does not expect to receive, nor does it expect to expend \$500,000 or more in federal awards during Fiscal Year 2021-2022

**INDEPENDENT AUDITOR’S REPORT REQUIREMENTS**

- A. The report Should be addressed to the City Council of the City of Willis, Texas
- B. Reports of examinations of Financial Statements must:
  - 1. State the scope of examination and that the audit was performed in accordance with generally accepted auditing standards and,
  - 2. Must include an opinion as to whether the financial statements present fairly, in all material respects, and the respective changes in financial position and cash flows, in conformity with accounting principles generally accepted in the United States of America.
- C. Reports of compliance examinations must include a statement that the audit was conducted in accordance with applicable auditing standards. The audit report must state whether the

examination disclosed instance of non-compliance with laws and regulations. Findings of non-compliance or ineligible expenses must be presented in enough detail for management to be able to clearly understand them.

- D. The independent auditor will present the audit report to the City Council at its meeting in February of each year of the contract.

#### **CITY OF WILLIS' RESPONSIBILITIES DURING THE AUDIT**

- A. The City of Willis will provide and make available on-site office space, internet connectivity, power source, standard office supplies, use of copier/scanner and postage to conduct the audit and related confirmations by mail.
- B. The City of Willis will make available and accessible all documents, records, and systems requested by the independent auditors to conduct the examination.
- C. The City's accounting staff will be available to provide documents and reports for examination, reproduce documents, prepare specific schedules, etc.

#### **EVALUATION CRITERIA**

The City's staff's recommendation to the City Council will be based on the proposal determined to offer the best value to the City of Willis. The evaluation of the proposals will be based on, but not limited to the following criteria, in no particular order of priority or rating. These factors will be applied to all eligible, responsive firms in comparing the proposals received and selecting the audit firm.

The City of Willis reserves the right to require oral presentations by any or all firms. In the event of oral presentations, a second matrix will be developed based on the section criteria. A contract award may be made without oral presentation and or discussion with firms after RFP responses are received by the City of Willis. Therefore, RFP responses should be submitted on the most favorable terms.

All cost directly or indirectly related to preparation of a response or oral presentation, if any, required to supplement and/or clarify an item in the RFP shall be the sole responsibility of and shall be borne by the responding firm.

The City of Willis will use the following criteria in selecting the best qualified firm:

- A. Knowledge of generally accepted accounting principles, auditing standards, financial policies, and procedures as applicable to governmental entities.
- B. Prior experience in auditing financial statements of similar sized or larger municipal governments in Texas.

- C. Proposing Firm’s approach to the examination and the work plan for accomplishing the scope of services required in the RFP.
- D. Availability of trained personnel and technical resources required for conducting the audit and for providing consultation on accounting and other technical matters as needed to keep the City of Willis current on any changes in governmental accounting and financial reporting standards.
- E. A demonstrated ability to provide assistance in obtaining the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.
- F. The all-inclusive annual not-to-exceed maximum fee amount for each of the 3-year contract term for fiscal years ending September 30, 2022, September 30, 2023, and September 30, 2024.

**RIGHTS RESERVED BY THE CITY OF WILLIS**

- 1. If only one or no proposal is received by “submission date”, the City has the right to accept, reject, re-solicit, accept and or extend the RFP up to an additional two (2) weeks from original submission date.
- 2. The right to reject any or all proposals and to make award as they may appear to be advantageous to the City of Willis
- 3. The right to hold proposals for 90 days from submission date without action.
- 4. The right to extend beyond the original 90-day period to an award if agreed upon in writing by both parties.
- 5. The right to terminate all or any part of the unfinished portion of the work resulting from this solicitation within thirty (30) days written notice; upon default by the firm, for delay or non-performance by the firm, or if it is deemed in the best interest of the City of Willis for convenience.
- 6. The City of Willis reserves the right to request additional information or to meet with representatives from responding firms to discuss points in the RFP before and after submission, any and all of which may be used in forming a recommendation.
- 7. The City of Willis reserves the right to reject any and all proposals received, and to accept the proposal it considers in its best interest based upon the requirements and descriptions outlined in this RFP.

Any interpretation, correction, or change to the RFP will be made by ADDENDUM. Changes or corrections to this RFP will be issued by the City of Willis’ Financial Services Department and posted on the City’s website.

Any addendum issued by the City of Willis will be emailed or faxed to all who have returned the RFP acknowledgement Form. Addendum will be issued as expeditiously as possible. Addendum, if issued, will be posted on the City's website.

It is the responsibility of the responding firms to determine whether all addendum have been reviewed and addressed in the proposal.

### **INFORMATION REQUESTED AND PROPOSAL CONTENT REQUIREMENTS**

Any Firm interested in being considered for the Independent Financial Audit Services engagement is requested to submit on the firm's letterhead, a proposal which provides information of the following points, numbered, and with section headings as indicated below.

Responding firms should refer to section titled: Instructions to Prospective Responders for additional response guidelines. Please note that the content of the successful proposal may become a part of subsequent contractual documents. Failure to accept this requirement may result in the cancellation of any contract award.

In order to simplify the review process, please organize your proposal according to the following outline:

A. Title Page

Show the Proposal subject, the name of the proposing firm, address, telephone number, name of contact person, size of the firm, and date.

B. Table of Contents

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

C. Letter of transmittal

1. Briefly state the Firm's understanding of the work to be done and provide clear commitment to perform the work within the time periods specified under key dates.
2. State the all-inclusive fee by fiscal year for which the work will be done for examining the City's financial statements and required supplementary information included in the Annual Financial Report.
3. State the name of the person who will be authorized to make representation for the firm, their title, address, and telephone numbers.
4. State that the person signing the transmittal letter is authorized to bind the firm and enter in a contract.
5. Identify and discuss any potential conflicts of interest of which the firm is aware not stated in the Conflict of Interest and Disclosure Statements.

#### D. Profile of the Responding Firm

1. State whether the firm is local, regional, national, or international.
2. State the location of the office from which the work is to be performed and the number of partners, managers, supervisors, seniors, and other professional staff employed at the office.
3. Describe the range of activities performed by the local office such as auditing, accounting, tax, or management services.
4. Describe the local office's capacity to audit computerized systems, including the number and classifications of personnel skilled in computer sciences who will work on the audit.
5. Describe any reprimands or penalties that the firm may have received in recent years from the Texas State Board of Public Accountancy.
6. State the firm's experience in auditing utilities and governmental entities.
7. State the firm's professional affiliations and the results of the latest peer review.
8. Affirm that the firm has completed external quality review with unqualified opinion.

#### E. Summary of Proposing Firms Qualifications

1. Identify the partner, audit manager, and supervisors who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for each individual assigned to the audit should be included. (Resumes may be included as an appendix)
2. Describe the most recent local office auditing experience similar to the type of audit being requested. Include a reference list of local government audit clients and any GFOA Certificates of Achievement for Excellence in Financial Reporting awarded.

#### F. Proposing Firms Approach to the Examination

1. Submit a work plan to accomplish the scope of services required. The work plan should include time estimates for each significant segment of the work and the staff level position. Where possible, individual staff members should be named, and their titles provided. The planned use of specialist should be specified.
2. State purpose and degree of utilization of City of Willis personnel.

#### G. Compensation

State the total hours and hourly rate required by staff classification and the resulting all-inclusive maximum not-to-exceed fee amount for which the requested work will be completed.

H. Complete and include Internal Revenue Service Form W-9 Request for Taxpayer Identification Number and Certification.

The City of Willis is requesting three (3) copies of the proposals including any attachments. Proposals should be enclosed in an envelope and clearly marked on the outside of the envelope or any carrier's envelope: "RFP No. 2022-01 Request for Proposals", to be mailed, sent by overnight courier, or hand delivered to the attention of:

Marissa Quintanilla  
City Secretary  
City of Willis  
200 N Bell St.  
Willis, TX 77378

**Proposals will be accepted only until 4:30 p.m. October 28, 2022**

**NO PROPOSALS WILL BE ACCEPTED AFTER 4:30 P.M. ON OCTOBER 28, 2022, THE SUBMISSION DEADLINE.**

Proposals will be acknowledged at 5:30 p.m., on date November 15, 2022, in the Willis City Hall located at 200 N. Bell Street, Willis, Texas 77378. Attendance by representatives of prospective firms is optional.

**The City of Willis is subject to the Texas Open Records Act. However, certain types of information may be exempt from disclosure under the Act. Firms submitting information which they deem confidential or proprietary must clearly mark and identify such information page by page. The City of Willis will, to the extent allowed by applicable law, protect such information from disclosure. The final decision as to what information must be disclosed under the Open Records Act lies with the Texas Attorney General.**

Questions or clarifications concerning the City of Willis' RFP requirements should be directed by email to:

Marissa Quintanilla  
City Secretary  
City of Willis  
[mquintanilla@ci.willis.tx.us](mailto:mquintanilla@ci.willis.tx.us)

Response to any questions, if appropriate, will be issued in the form of an addendum to all firms that have returned the RFP Acknowledgement Form and will also be posted on the City's website at:

<http://ci.willis.tx.us/331/Request-for-Proposals>

## **INSTRUCTIONS TO PROSPECTIVE FIRMS**

The City of Willis, Texas is requesting proposals from firms interested in providing independent financial audit services. Firms with relevant experience and qualifications are encouraged to submit their proposal and qualifications. Preparation of submittals will be at the expense of the Firm.

The following instructions should be followed by firms responding to this RFP:

1. Please respond specifically to all information requested in this Request for Proposals or indicate on the attached acknowledgement form why no response is given.
2. Please limit response to relevant material; additional information must be submitted in the form of an attachment or appendix
3. Identify the question being answered in the introduction to each response.
4. Respondents or their representatives are prohibited from communicating with any City of Willis officials to include City Council members regarding the RFP from the time the RFP is released until it has been acted upon by the City Council.
5. Respondents or their representatives are prohibited from communicating with City of Willis employees regarding the RFP, until the contract is awarded. Violation of this provision by the respondent or their agent will lead to disqualification of the respondent's RFP from consideration.
6. If there are any clarification questions regarding the scope of work and or any other requirements of the RFP, respondents or their representatives should submit written questions and forward those to the City's staff named as the contact person for this solicitation. All response by the City will be provided in the form of an addendum and will be posted on the City City's website.