



REQUEST FOR QUALIFICATIONS

Professional Auditing Services

Erath County Texas



ERATH COUNTY, TEXAS
REQUEST FOR QUALIFICATIONS
FOR
“Professional Auditing Services”

ERATH COUNTY COURTHOUSE
County Auditor’s Office
100 W Washington
Stephenville, Texas 76401

DATE: February 15, 2023

TO: AUDIT FIRMS

FROM: Kent Reeves
Erath County Auditor

SUBJECT: RFQ - Professional Auditing Services

Erath County, Texas is requesting Statements of Qualifications from Certified Public Accounting Firms to audit the financial statements of Erath County and related entities for the fiscal years ending September 30, 2022 – September 30, 2024.

Ensure your Statements of Qualifications are received by 5:00 PM CST Friday March 10, 2023.

We will accept the documents via email, hand delivery or postal service to the following:

Kent Reeves
Erath County Auditor
RFQ-022023
100 W Washington
Stephenville, Texas 76401

Statements of Qualifications not received by the deadline will be rejected.

Questions you may have relating to this Request for Qualifications may be addressed to me via email or telephone. auditor@co.erath.tx.us or 254-965-1425

Deadline for questions is 5:00 PM CST Friday March 3, 2023

Sincerely,

Kent Reeves
County Auditor

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ERATH COUNTY, TEXAS REQUEST FOR QUALIFICATIONS

I. INTRODUCTION

A. General Information

Erath County (the County) is requesting Statements of Qualifications from qualified Certified Public Accounting firms to audit its financial statements for the fiscal years 2022 – 2024.

The County's fiscal year runs from October 1st - September 30th

2022

Erath County

Erath County Volunteer Fire Department

2023 - 2024

Erath County

Erath County Volunteer Fire Department

266th Adult Probation Department (September 1st – August 31st)

266th Juvenile Probation Department (September 1st – August 31st)

Single Audit

Erath County may require single audits for the years 2023 forward. The firm awarded the audit work for Erath County and its affiliates will work with County staff to determine if a single audit is required.

Audit Standards

Audits are to be performed in accordance with (GAAS) Generally Accepted Auditing Standards, standards set forth for financial audits in the US Government Accountability Office's (GAO) Government Auditing Standards, the provisions of the Federal Single Audit Act.

Any inquiries concerning the Request for Qualifications should be submitted in writing or via email to the Erath County Auditor.

All interested parties are encouraged to contact the County Auditor in advance of preparing their RFQ to gather sufficient information to assist them in fully understanding the scope of the County's audit requirements.

Phone calls, email and mail will be accepted relating to general questions for clarification in an effort to help expedite the process.

Erath County Auditor
auditor@co.erath.tx.us
254-965-1425

Erath County
Erath County Auditor
100 W Washington
Stephenville, Texas 76401

Statements of Qualifications may be delivered via:

Email
auditor@co.erath.tx.us

Mail or Hand Delivery
Erath County
County Auditor
100 W Washington
Stephenville, Texas 76401

Any Statements of Qualification received after the submission deadline will not be accepted. The County is not responsible for the timeliness of US Postal Service or other couriers.

The County reserves the right to reject any and all submissions. Communication with individuals other than the contacts listed in this document may subject the firm to immediate rejection from the selection process.

B. Term of Engagement

Three-year contract for fiscal years 2022 – 2024

II. GENERAL CONDITIONS

A. Irregularities and Illegal Acts

Written report of any irregularities or illegal acts or indications of illegal acts of which the Audit Firm becomes aware of will be immediately made to the following parties:

- County Judge
- County Auditor

B. Reports to be Provided

- Annual Financial Report

Audit Firm will prepare the AFR from the Counties Financial Statements which will be provided upon acceptance of the engagement.

- Management Letter to those in Governance
- Report on Compliance and Internal Controls
- Any reports required under the Single Audit Act
- Any and all standard audit reports typically issued in these types of engagements

III. DESCRIPTION OF THE GOVERNMENT

A. Contact Information

Erath County Auditor – Kent Reeves

100 W Washington

Stephenville, Texas 76401

254-965-1425

auditor@co.erath.tx.us

Erath County Judge – Brandon Huckabee

100 W Washington

Stephenville, Texas 76401

254-965-1452

countyjudge@co.erath.tx.us

B. Background Information

Erath County has a population of 43,378 per the 2021 census and is situated 82 miles southwest of Fort Worth, Texas, 100 miles southeast of Abilene, Texas, 92 miles northwest of Waco, Texas and 54 miles south west of Weatherford, Texas.

Stephenville is commonly referred to as the cowboy capital of the world due to its rich rodeo and ranching heritage, as well as the many legends who have molded the sport of rodeo into what it is today.

Erath County is home to Tarleton State University, TechnipFMC, Saint-Gobain, Shreiber Foods, Western Dairy Transport, Tech Mahindra, Emerson Electric, dozens of large dairies and a multitude of other small to large companies.

The County's fiscal year begins October 1st of each year and ends September 30th.

The County provides the following services:

- Justice Services
- Public Safety
- Health and Welfare Services
- Construction and Maintenance of Roads
- Emergency Medical Services
- Veterans Service
- Environmental and Subdivision

Erath County has approximately 230 employees with a total payroll of \$16,000,000 including taxes and benefits.

C. Fund Structure

- | | |
|-------------------------------|----|
| • General Fund | 1 |
| • Road and Bridge | 4 |
| • Road and Bridge Maintenance | 1 |
| • Special Revenue Funds | 34 |
| • Debt Service | 1 |
| • Capital Projects | 2 |
| • Agency – Adult & Juvenile | 4 |
| • General Fixed Assets | 1 |
| • General Long-Term Debt | 1 |

The County maintains 61 departments

D. Budgetary Basis of Accounting

The County prepares its budgets on a basis consistent with generally accepted accounting principles

E. Pension Plan

Erath County participates in the Texas County and District Retirement System. Employee contributions are 7% of gross wages and the County matches the contributions 200% once an employee is vested with the county.

F. Component Units (Discreet Entity)

Erath County provides volunteer fire protection services through the Erath County Volunteer Fire Departments. Support is budgeted for ECVFD and Erath County provides budgetary and accounting services, buildings, equipment, supplies and other goods and services to the VFD.

G. Computer systems

Servers are maintained on site for all of the accounting functions of the county. Cloud based systems maintain all of the judicial and law enforcement applications. All major software components are provided through Tyler Technologies with the financial departments using Tyler (Incode) ERP 10 and judicial and law enforcement departments using Tyler Odyssey.

H. Internal Audit Functions

As required by law, Erath County has an appointed Auditor who provides accounting, audit, budgeting, claims approval, cash disbursement, purchasing, reporting and other financial related functions.

The County Auditor will assist in gathering financial data to help expedite the audit process.

The Audit department consists of the Appointed Auditor and four appointed assistant auditors who perform purchasing related tasks, accounts payable, internal audit, reporting and claims approval functions, compliance and fixed asset tracking.

IV. TIME REQUIREMENTS

- March 31, 2023 Audit Fieldwork May Begin
- May 30, 2023 Draft Reports
- June 30, 2023 Annual Financial Report Issued

V. ASSISTANCE BY COUNTY PERSONNEL

The Erath County Auditor will be the main liaison in fulfilling the audit requirements. Each department head and Elected Official will provide information on request, in the event more data is needed than originally provided by the County Auditor.

VI. STATEMENTS OF QUALIFICATIONS REQUIREMENTS

- Title Page
- Table of Contents
- Transmittal Letter
- Detailed Statement of Qualifications
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- Staffing Levels
- Identification of Anticipated Audit Problems

FIRMS ARE NOT TO PROVIDE A SCHEDULE OF FEES

The fees will be negotiated in accordance with the Professional Services Procurement Act Government Code 2254.

Once selected for negotiations, based on qualifications, participants will provide a fee schedule for the scope of work and estimated hours. A breakdown of estimated hours and billing rates shall be submitted for all auditors, partners and support staff.

The County reserves the right to negotiate with any and all audit firms that submit Statements of Qualifications.

All costs and expenses associated with the preparation and submission of proposals are the responsibility of the submitter and no reimbursement for such charges and expenses will be passed on to Erath County.

VI. EVALUATION PROCEDURES

Mandatory Requirements –

Firms must meet the following criteria to be considered:

- Firm is independent and licensed to practice in Texas
- No conflict of interest with other work performed for the County
- Firm is peer reviewed and provides a copy of its last review report
- Firm has experience with similar types of governmental entities
- Firm adheres to the instructions in preparing the response

Grading –

Technical Quality (Maximum Points – 100)

- Expertise and Experience (MP – 70)
 - Firm's past experience and performance on comparable government engagements (MP – 40)
 - Quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for consultation (MP – 30)
- Audit Approach (MP – 30)
 - Adequacy of proposed staffing (MP – 10)
 - Adequacy of sampling techniques (MP – 10)
 - Adequacy of analytical procedures (MP – 10)

Potential candidates may be requested to visit with our Audit Committee, either in person or via teleconference. Once candidates have been ranked the negotiation process will begin.

All respondents to this RFQ will be contacted and informed of the status of the request.

Negotiation Process -

The number one ranked firm will be contacted to submit an engagement / contract for negotiation based on the evaluation criteria. If negotiations prove unsuccessful, the next highest ranked firm will be contacted, and so forth.

The County has the right to reject any and all submissions

Copies of the County's most recent audits can be found on our website under financial transparency: www.co.erath.tx.us

Or, you may request a copy via email and we will send you one in .pdf

Thank you in advance for your interest in providing auditing services to Erath County