

CITY OF LUCAS
RFQ # 021-20
PROFESSIONAL AUDITING SERVICES

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CITY OF LUCAS
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PROFESSIONAL AUDITING SERVICES

1. General Information

1.1 Purpose

The City of Lucas, Texas (hereinafter referred to as the City) seeks proposals in response to this Request for Qualification (RFQ) from qualified and experienced public accounting firms whose principal officers are independent certified public accountants (hereinafter referred to as "proposers" or "the proposer," with related pronoun reference "he" or "his" to be interpreted without regard to gender). The objectives of this RFQ are:

1.1.1 To obtain audit services for performance of the City's annual financial audit for the fiscal year ended September 30, 2020, and for each of the four (4) subsequent fiscal years.

1.1.2 To obtain other related services, on a per request basis, as stated herein.

1.2 Inquiries from Proposers

Questions related to this RFQ must be submitted by email no later than April 30, 2020. Written questions should be emailed to:

Liz Exum
Finance Director
City of Lucas
665 Country Club Road
Lucas, TX 75002
Email: lexum@lucastexas.us
Phone: 972-912-1201

Proposal for Qualification should be received on or before 2:00 PM, Friday, May 8, 2020. It is the proposer's responsibility to ensure that he has received any and all addenda related to the proposal. It shall be the sole responsibility of the respondent to insure that their Proposal is received by the Finance Department within the time limit indicated. Late Proposal will not be considered.

1.3 Costs Incurred in Responding

All costs directly or indirectly related to preparation of a response to this RFQ, any oral presentations required to supplement and/or clarify qualifications, and/or reasonable demonstrations which may be, at its discretion, required by the City shall be the sole responsibility of and shall be borne completely by the proposer.

1.4 Response Instructions

One copy of the Proposal of Qualifications should be delivered to the attention of the Purchasing Coordinator. Your proposal may be mailed or electronically sent to:

Linezka Osorio
Purchasing Coordinator
City of Lucas
665 Country Club Road
Lucas, Texas 75002
Email: lmaduro@lucastexas.us
Fax: 972-727-0091

Late proposals will not be considered. It is the responsibility of the proposer to confirm receipt of the proposal especially if being delivered electronically. Deadline for submission is 2:00 PM May 8, 2020. The City of Lucas cannot guarantee, due to internal mail delivery procedures that any proposals sent priority mail will be picked up from the post office by city mail employees and delivered to the Finance Department by the closing date and time. It is recommended that proposal deliveries be made either in person or via an alternate delivery method ensuring delivery to the physical address. **Proposer shall bear full responsibility for ensuring that the proposal is delivered to the specified location by due date and time.** Late proposal will be rejected as non-responsive.

1.5 Proposal Acceptance Period

All proposals must include a statement that they are valid for a minimum period of 90 days subsequent to the RFQ closing date.

1.6 Selection/Evaluation Factors

This procurement will comply with applicable City of Lucas Purchasing Policy and Procedures. The successful proposer will be selected on the basis of demonstrated competence and qualifications. Evaluation factors outlined below shall be applied to all eligible, responsive proposers in comparing proposals and selecting the successful proposer.

Each proposal will be rated on a 100-point scale. Proposal evaluation factors, with the maximum points awardable shown in parentheses, are as follows:

- 1.6.1 Demonstrated experience, qualifications, and professional activities of the audit team and the firm, including technical expertise of supervisory staff available to perform "on-site" work and resources readily available to the firm in key areas for the City. These key areas include such specialization as municipal government and Federal funding auditing (45).

- 1.6.2 Responsiveness of the proposal in clearly stating an understanding of the work to be performed; responsiveness to terms and conditions, including scheduling; completeness and thoroughness of the technical data and documentation and impact to City staff. (25).
- 1.6.3 Commitment to Governmental Accounting and Auditing - The demonstration of the firm's commitment to governmental issues by knowledge of current issues and membership in related organizations such as the Government Finance Officers Association, or Texas Municipal League. In addition, the firm's ability to communicate to the City changes in regulations or the environment. This communication should include the offer of training to City personnel on current or relevant issues (30).

Selection and award will be based on demonstrated competence and qualifications to perform the service requested.

Oral interviews may be arranged at the discretion of the evaluation team to assist in making the final selection.

1.7 Review Committee/Evaluation Process

Committee will evaluate the proposals using a matrix based on the factors described above. A preliminary evaluation will be done independently by each participant. Participants will then meet to discuss their evaluations; after discussion, a final evaluation will be done by each participant and the total points awarded to each proposer will be tallied.

A recommendation will be presented for final selection by the City Council.

1.8 Additional Information

The City reserves the right to require additional technical and contractual information during the evaluation period. Each proposal must designate person(s) who will be responsible for answering technical and contractual questions.

1.9 Agreement Negotiations

In establishing an agreement as a result of this request for qualification process, the City may:

- (a) Review all submittals and determine which proposers are reasonably qualified for award of this agreement.
- (b) Determine the proposer whose submittal is most advantageous to the City considering the evaluation criteria.
- (c) Attempt to negotiate with the most responsive proposer an agreement at fair and reasonable terms, conditions and cost.
- (d) If negotiations are successful enter into an agreement.

- (e) If not successful, formally end negotiations with that proposer. The City may then:
 - (1) Select the next most highly qualified proposer and attempt to negotiate an agreement at fair and reasonable terms, conditions and cost with that proposer.
 - (2) The City shall continue this process until an agreement is entered into or all negotiations are terminated.
- (f) The City also reserves the right to reject any or all submittals, or to accept any submittal deemed most advantageous, or to waive any irregularities or informalities in the submittal received.

As provided for by the State Board of Public Accountancy rules, the contract award will not necessarily be made to the firm that provides the lowest cost proposal but rather to the firm that submits the most responsive proposal meeting the City's requirements.

1.10 Release of Information

The City complies with the requirements of the Texas Public Information Act.

1.11 Contract Incorporation

Proposers should be aware that the contents of the successful proposal will become a part of any subsequent contractual document that may arise from this RFQ. Failure of a proposer to accept this obligation may result in the cancellation of any award. The successful proposer shall be required to execute a contract prepared by the City and approved by the city attorney.

1.12 Rights and Remedies

The rights and remedies of the City provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or under any subsequent contract.

1.13 Contract Payment/Compliance Statement

The contract shall be prepared under the direction of the City and shall incorporate all applicable provisions. Payment for all services other than those described as "special projects" will be made based on an all-inclusive, not-to-exceed fee estimate, with progress payments as mutually determined to be appropriate. These payments shall be based upon completion of phases of the work. A sample contract should be submitted with the proposal.

1.14 Progress Reports

The successful proposer shall submit progress reports to or hold periodic meetings with the Finance Director as agreed upon by the City and the proposer. The information provided in these reports should be sufficiently detailed to provide

assurance that the audit is on schedule. A sample progress report should be submitted with the proposal.

1.15 Publicity

Any publicity, news releases, and/or advertising pertaining to this RFQ and/or the awarding of any contract relating to the RFQ may not be made without prior written approval of the City.

2. Proposal Format

2.1 Required Sections

Proposals must be submitted containing the following sections in the order indicated:

- 2.1.2 Cover Letter
- 2.1.3 Executive Summary
- 2.1.4 Table of Contents
- 2.1.5 Firm Background, Principal Officers, and Prior Experience
- 2.1.6 Scope and Audit Approach
- 2.1.7 Proposed Schedule
- 2.1.8 Review of Official Statement
- 2.1.9 Other References
- 2.1.10 Additional Data and Other Information
- 2.1.11 Concluding Remarks

2.2 Cover Letter

This section should contain the name of the proposing firm, the address of the proposing office, and contact persons authorized to answer technical, price, and/or contract questions together with their telephone number, email address, and mailing address. The cover letter must also be signed by a partner or officer authorized to bind the company.

2.3 Executive Summary

Prefacing the proposal, an executive summary of five pages or less should be provided which gives in brief, concise terms a summation of your proposal. Identify the points that make your firm uniquely qualified for this engagement.

2.4 Table of Contents

The Table of Contents shall include an index of the proposal contents and attachments.

2.5 Firm Background, Principal Officers, Prior Experience and Resumes

Firm Qualifications and Experience. This section should state:

- 2.5.1 The size of the firm.
- 2.5.2 The size of the firm's municipal government audit staff.
- 2.5.3 The location of the office from which the work on this engagement is to be performed.
- 2.5.4 The number and nature of the professional staff to be employed in this engagement on a full-time basis including estimated hours for services.
- 2.5.5 The number and nature of the staff to be employed on a part-time basis including estimated hours for services.
- 2.5.6 Resume of each staff member to be employed in this engagement.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified. In addition, joint ventures or consortiums must identify a firm to serve as the principal auditor, and the principal auditor must accept responsibility for resolving all operational and contractual issues with the City.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three years with state regulatory bodies or professional organizations.

Partner, Supervisory and Staff Qualifications and Experience. The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who will be assigned to the

engagement and indicate whether each such person is licensed to practice as a certified public accountant in Texas. The firm should also provide information on the municipal government auditing experience of each person, including information on relevant continuing professional education for the past three years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, and experience and training (including relevant continuing professional education) of the staff to be assigned specifically to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff, and specialists assigned to the City's account in a proposal may be removed from the City's account if those persons leave the firm, are promoted, or are assigned to another office. These persons may also be changed for other reasons but only with the express prior written permission of the City of Lucas. However, in either case, the City retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer, provided that replacements have substantially the same or better qualifications or experience.

Similar Engagements with Other Government Entities. For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of relativity to the current proposal. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

Other. Additional information should be included to describe the office's capabilities to audit computerized systems.

2.6 Scope and Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Sections 4.1 and 4.2 of this RFQ. In developing the work plan, reference should be made to such sources of information as the City of Lucas budget and related materials, organizational charts, manuals, and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

2.6.1 Proposed segmentation of the engagement.

- 2.6.2 Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- 2.6.3 Sample sizes and the extent to which statistical sampling is to be used in the engagement.
- 2.6.4 Extent of use of EDP software in the engagement.
- 2.6.5 Type and extent of analytical procedures to be used in the engagement.
- 2.6.6 Approach to be taken to gain and document an understanding of the City of Lucas's internal control structure.
- 2.6.7 Approach to be taken in determining laws and regulations that will be subject to audit test work.
- 2.6.8 Approach to be taken in drawing audit samples for purposes of tests of compliance.

The proposal should also identify in this section any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of Lucas.

The work plan submitted should include a time estimate for the financial audit.

A separate statement of the firm's approach to and understanding of the provision of technical assistance and advice concerning accounting and auditing issues that may arise during the course of the audit should be included. In addition, a discussion of the firm's approach to the level and amount of the accounting staff support necessary to complete the work as outlined in the proposal should be included.

2.7 Proposed Schedule

Comment on the firm's ability to meet the timelines indicated in the RFQ and present a schedule of when information to be provided by the City should be available. The proposer should provide any recommended changes to the schedule that might be required to enhance the timelines and quality of the engagement.

2.8 Review of Official Statements

Routinely, the City prepares an official statement for a bond offering that includes information taken from the most current Comprehensive Annual Financial Report. As needed, a review of the official statement resulting in a "consent and citation of expertise" letter will be required.

2.9 Other References

Describe recent local and regional office auditing experience similar to the type of audit requested and give the name and telephone numbers of client officials responsible for three of the audits listed. These references would be in addition to those listed in Section 2.5 under paragraph titled - *Similar Engagements*.

2.10 Additional Data and Other Information

Since data not specifically requested must not be included in the foregoing proposal sections, give any additional information considered essential to the proposal in this section. If there is no additional information to present, state in this section, "There is no additional information we wish to present."

2.11 Concluding Remarks

This section shall contain any final remarks or elaboration which the proposer believes is important for a clear understanding of the proposed services and/or the proposer's capabilities.

3. Description of the Entity

3.1 General

The City of Lucas, Texas is located in Collin County, approximately 40 miles northeast of Dallas. The City's corporate boundary comprises approximately 11.73 square miles. Lucas's estimated population is 8,080. The City of Lucas Home Rule Charter was adopted on May 10, 2008 by majority vote of the citizens. The City operates under a council-manager form of government, with the City Council comprised of seven members including the mayor. The City Council is responsible for adopting ordinances and regulations governing the City, adopting the budget, determining policies, and appointing the City manager, as well as members of various boards and commissions. As chief administrative officer, the City manager is responsible to the Council for appointing and supervising employees of the City and for preparing and administering the annual budget and capital improvement program.

The reporting entity for the City of Lucas, as defined by Governmental Accounting Standards Board (GASB) Statement 14, includes all governmental funds, proprietary funds, and other funds, and component units reported in the Comprehensive Annual Financial Report. The City is not included in any other governmental "reporting entity", as defined by GASB Statement 14.

The City provides the full range of municipal services contemplated by statute or charter. This includes public safety, development services, engineering, municipal court, parks, public works/water, and general administrative services.

3.2 Organization of the City's Finance Department

The Finance Director, who reports directly to the City Manager, is responsible for all financial accounting and reporting activities of the City. The Finance Director has overall responsibility for the following functions: General Fund Accounting, Utility Accounting, Payroll, Accounts Payable, Accounts Receivable, Debt Service, Fixed Assets, and CIP Accounting.

3.3 Organization of the Accounting Function

The accounting records of the City of Lucas are maintained by the Finance Department, with offices located at 665 Country Club Road, Lucas, Texas. Although maintenance of the accounting records is centralized within accounting, the City's accounting function is partially decentralized. Each City department has the authority to initiate and submit all input documents (e.g. credit card receipts, invoice authorization and requests for check disbursements) for processing by Accounting. In addition, departments perform some of their data input for purchasing requisitions.

3.4 Audit Assistance

The accounting staff will print out all general ledger reports, balance sheets, trial balance reports, reconciliations, journal entries with back up documentation, etc. Work papers are to be prepared by the Auditor with copies going to the Finance Director. Personnel will be available to aid the auditors for the purpose of pulling invoices, directing auditors to the proper files, or for explaining procedures.

4. Nature of Services Required

4.1 General

The City of Lucas is seeking proposals in response for this request for qualifications from public accounting firms to audit its financial statements for the fiscal year ending September 30, 2020, and for each of the four (4) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for qualification.

4.2 Scope of Work to Be Performed

The City of Lucas desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.

The auditor is required to audit the financial statements, consisting of government-wide and fund financials. 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 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.

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.

4.3 Auditing Standards to Be Followed

To meet the requirements of this RFQ, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants and the Governmental Accounting Standards Board, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act of 1996, and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Government, and any other requirements from regulatory agencies.

4.4 Reports to Be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue all reports currently required by 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 audit.

In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit to the Finance Director and City Manager. 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.

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.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of which they become aware to the City Manager and Finance Director.

Auditors shall assure themselves that the Lucas City Council is informed of each of the following and any other item as required by the regulatory agencies as noted above:

- 4.4.1 Difficulties encountered in performing the audit.
- 4.4.2 Disagreements with management.
- 4.4.3 Major issues discussed with management prior to retention.
- 4.4.4 Management consultation with other accountants.
- 4.4.5 Management judgment and accounting estimates.
- 4.4.6 Other information in documents containing audited financial statements.
- 4.4.7 Significant accounting policies.
- 4.4.8 Significant audit adjustments.
- 4.4.9 The auditor's responsibility under generally accepted auditing standards and government auditing standards.

4.5 Preparation of Comprehensive Annual Financial Report

The writing and preparation of the comprehensive annual financial report shall be the responsibility of the independent auditor. The comprehensive annual financial report (CAFR) consists of government-wide financial statements, fund financial statements, notes to the financial statements, management discussion and analysis, required supplementary information, statistical reports, and any other additional required supplementary information needed to submit the CAFR to the GFOA for award consideration. The Finance Director will review all proposed standard, adjusting, or correcting entries to the financial statements. The Finance Director will review the comprehensive annual financial draft and final completed report for accuracy and recommendations.

4.6 Special Considerations

The City will require the auditor's assistance to comply with reporting requirements resulting from new GASB pronouncements. The specific level of training and assistance the auditor will provide should be detailed in the request.

4.7 Review of Official Statements

The City currently anticipates it will prepare one or more official statements in connection with issuance of debt that will contain the general-purpose financial statements and the auditor's report thereon. The Auditor shall be required, if

requested by the City, the fiscal advisor and/or the underwriter, to issue a “consent and citation of expertise” and any necessary “comfort letter.”

4.8 Special Project

Proposers may be requested to provide other types of services, collectively referred to as "special projects." Examples of such services include additional audits or reviews, cost studies, and consulting services.

4.9 Regulation Updates

The Auditor shall provide City Finance Department staff with information relating to regulation changes that would affect the City and its operation. Examples would be timely notification of changes proposed or initiated by GASB, Financial Accounting Standards Board (FASB), or General Accounting Office (GAO).

5. Other Information and Requirements

5.1 Auditor Rotation

In accordance with requirements of the City of Lucas Home Rule Charter, Section 6.01 Audit and Examination of City Books and Accounts: “The same firm or certified public accountant shall complete no more than (5) consecutive annual audits”.

5.2 Prior Audit

Subsequent to the contract award, arrangements shall be made, if possible, for a review of prior year work papers by the firm awarded the contract. Proposers may have access to prior years' audit reports if they wish, by contacting Liz Exum, Finance Director at 972-912-1201.

5.3 Work Area

A separate workspace in close proximity to the accounting records will be provided, as well as copy machines, phone, internet access, and a fax machine.

5.4 Audit Work Timing

Field work can begin by mid-August 2020, with reports to be issued no later than February 2021.

5.5 Work Papers

The firm selected shall maintain all work papers for a period of at least five years after the fiscal year end. The auditor shall make available all original work 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. In addition, the firm shall respond to the reasonable

inquiries of successor auditors and allow successor auditors to review work papers relating to matters of continuing financial significance.

5.6 Non-appropriation Provision

The City may cancel the contract should the present or any future City Council not appropriate funds in any fiscal year for the payment of this agreement. No penalty shall attach in the event of any such non-appropriation. In the event of non-appropriation, the City shall give the successful proposer advance written notice before cancellation of the contract, and the City shall not be obligated to make any payments beyond the end of the fiscal year.

5.7 Equal Employment Opportunity

The Proposer agrees that during the performance of its contract it will:

5.8.1 Treat all applicants and employees without discrimination as to race, color, religion, sex, national origin, marital status, age, or handicap.

5.8.2 Identify itself as an "Equal Opportunity Employer" in all help wanted advertising or requests.

5.8.3 The proposer shall be advised of any complaints filed with the City alleging that the proposer is not an Equal Opportunity Employers.

In determining whether to terminate any portion of this contract, the City reserves the right to consider reports from its Human Resource Manager in response to discrimination complaints. However, the Proposer is specifically advised that no Equal Opportunity Employment complaint will be the basis for cancellation of this contract.

5.8 Conflict of Interest

The Proposer agrees to comply with the conflict of interest provisions of the City Charter and Code of Ordinances. The Proposer agrees to maintain current, updated disclosure of information on file with the City Purchasing Office throughout the term of his contract. The City of Lucas is requiring completing the Conflict of Interest Questionnaire (CIQ) Form, prepared by the Texas Ethics Commission. Please remit the CIQ with your response.

6. Insurance Requirements

6.1 Insurance Certificates

Before commencing work, the audit firm shall, at its own expense, procure, pay for and maintain the following insurance written by companies approved by the state of Texas and acceptable to the City of Lucas. The audit firm shall furnish to the City of Lucas certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Certificates shall reference the project/contract number and be addressed as follows:

021-20 RFQ Professional Auditing Services
City of Lucas
665 Country Club Road
Lucas, Texas 75002

6.2 Insurance Policies

- 6.2.1 Commercial General Liability insurance, including, but not limited to Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractors and Contractual Liability, with minimum combined single limits of \$500,000 per-occurrence, \$1,000,000 Products/Completed Operations Aggregate and \$1,000,000 general aggregate. Coverage must be written on an occurrence form.
- 6.2.2 *If Proposer's employees will be performing services under the contract on City of Lucas premises, then Workers' Compensation insurance with statutory limits; and Employers' Liability coverage with minimum limits for bodily injury: a) by accident, \$100,000 each accident, b) by disease, \$100,000 per employee with a per policy aggregate of \$500,000.*
- 6.2.3 *If vehicles will be used in the performance of services under the contract, then Business Automobile Liability insurance covering owned, hired and non-owned vehicles, with a minimum combined bodily injury and property damage limit of \$500,000 per occurrence.*
- 6.2.4 Professional Liability Insurance to provide coverage against any claim which the audit firm becomes legally obligated to pay as damages arising out of the performance of professional services caused by error, omission or negligent act with minimum limits of \$2,000,000 per claim, \$2,000,000 annual aggregate.

NOTE: If the insurance described in #1 or #4 above is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than *thirty-six (36) months* following completion of the contract and acceptance by the City of Lucas.

The required limits may be satisfied by any combination of primary, excess or umbrella liability insurance, provided all policies comply with all requirements. The audit firm may maintain reasonable deductibles, subject to approval by the City of Lucas.

6.3 Required Endorsements

With reference to the foregoing required insurance, the audit firm shall endorse applicable insurance policies as follows:

- 6.3.1 A waiver of subrogation in favor of City of Lucas, its officials, employees, and officers shall be contained in the Workers' Compensation insurance policy.
- 6.3.2 The City of Lucas, its officials, employees and officers shall be named as additional insureds on the Commercial General Liability policy, by use of an endorsement that includes the completed operations hazard.
- 6.3.3 All insurance policies shall be endorsed to the effect that City of Lucas will receive at least thirty (30) days' notice prior to cancellation, non-renewal, termination, or material change of the policies.

6.4 Open Records

All responses submitted to the City of Lucas become the property of the City and are subject to the Public Information Act (Texas Government Code 552). The interested firms/individuals should familiarize themselves with the provisions of that Act. In no event shall the City or any of its employees or officials be liable to a firm/individual for the disclosure of all or a portion of a response submitted pursuant to the RFQ.

If a firm/individual has special concerns about information that it desires to make available to the City, but which it believes constitutes a trade secret, proprietary information or other information excepted from disclosure, such firm/individual should specifically and conspicuously designate each page of that information, which the Respondent believes, should not be disclosed. Disclosure of the information will be subject to the Texas Public Information.

**7. Listing of Timelines and Critical Dates
(Based on 2020 Year-End)**

Date or Timeframe

Activity or Deadline

April 9	Place first advertisement in newspaper.
April 16	Place second advertisement in newspaper.
April 30	Deadline for inquires or questions.
May 8	Deadline for submission of proposals.
May 11 – May 14	Evaluation of proposals. Interviews with auditing firms if necessary.
May 15	Selection of firm for council recommendation.
May 21	Audit firm selection by City Council.
August	Preliminary planning meetings and audit plan development. Interim field audit.
September 30	Fiscal year end.
November	Year-end system-generated reports available. Staff prepares trial balances and schedules.
December	Auditors begin year-end field work.
December	Field Work is complete – All adjustments have been made and trial balances are returned to Finance Director.
Mid-January	Draft Audit report given to Finance Director for Review.
Late January	Final Audit report completed.
Late February	Audit reports presented to Council.