



TOWN OF HIGHLAND PARK, TEXAS

REQUEST FOR PROPOSALS

FOR

PROFESSIONAL AUDITING SERVICES

APRIL 14, 2021

4700 DREXEL DRIVE
HIGHLAND PARK, TEXAS 75205

REQUEST FOR PROPOSALS

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TOWN OF HIGHLAND PARK
REQUEST FOR PROPOSALS

I. INTRODUCTION

A. General Information

The Town of Highland Park, Texas (“Town”) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending September 30, 2021, with the option of auditing its financial statements for each of the four (4) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards as well as the following additional requirements:

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

Any inquiries concerning the request for proposals should be addressed to Jason Carter at jcarter@hptx.org.

To be considered, two (2) sealed copies of a proposal must be received by Jason Carter at 4700 Drexel Drive, Highland Park, Texas 75205 by 3:00PM on May 12, 2021. The Town reserves the right to reject any or all proposals submitted.

Proposals submitted will be evaluated by the Town based on criteria established within this proposal.

During the evaluation process, the Finance & Audit Advisory Committee and the Town reserve the right, where it may serve the Town's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Town or the Finance & Audit Advisory Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The Town 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 acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town and the firm selected.

It is anticipated the selection of a firm will be completed by July 6, 2021. Following the notification of the selected firm it is expected a contract will be executed between both parties by July 13, 2021.

B. Term of Engagement

A five (5) - year contract is contemplated, subject to the annual review and recommendation of the Finance & Audit Advisory Committee, the satisfactory negotiation of terms (including a price acceptable to both the Town and the selected firm), the concurrence of the Town Council and the annual availability of an appropriation.

C. Subcontracting

Firms submitting proposals may consider subcontracting portions of the engagement to small audit firms or audit firms owned and controlled by socially and economically disadvantaged individuals. If this is to be done, that fact, and the name of the proposed subcontracting firms, must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the Town.

II. NATURE OF REQUIRED SERVICES

A. Scope of Work to be Performed

The Town desires the auditor to express an opinion on the fair presentation of its governmental activities, its business-type activities, each of its major funds, and its aggregated remaining fund information in conformity with generally accepted accounting principles.

The auditor is not required to audit the combining fund financial statements and supporting schedules. However, the auditor is to provide an “in-relation-to” report on the combining fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements.

The auditor is not required to audit the introductory and statistical sections of the report, but should be reviewed for consistency with the audited 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 auditor’s assistance and consultation will be required in implementing new GASB statements at the earliest possible date, even if prior to the required effective date.

The auditor will prepare a draft of the Comprehensive Annual Financial Report for review by management. The auditor agrees to provide issued financial statements, Independent Auditor’s Report, and Report on Internal Controls on or before January 19, 2022 in an electronic (pdf) format. The Town will print hard copies as needed.

The introductory and statistical sections of the Comprehensive Annual Financial Report will be prepared by the auditors, with assistance from the Town staff. The auditor will compile and prepare all financial statements and schedules in the financial section. The notes to the financial statements will be a joint effort of the Town and the auditors, and will be prepared by the auditor.

B. Auditing Standards to be Followed

The audit shall be performed in accordance with Generally Accepted Auditing Standards (GAAS) as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*, and, if applicable, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at Title 2 of the Code of Federal Regulations, Subtitle A, Chapter II, Part 200. If a single audit is required, the work will be conducted in accordance with generally accepted governmental auditing standards to meet all federal grant audit requirements.

C. Reports to be issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles as well as a report on internal controls over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.

The auditor shall communicate in a letter to management any reportable conditions found during the audit. 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.

Irregularities and illegal acts. Auditors shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware to the following parties:

Town Administrator
4700 Drexel Drive
Highland Park, Texas 75205
(214) 521-4161

Reporting to the Finance and Audit Advisory Committee. Auditors shall assure themselves that the Town's Finance and Audit Advisory Committee is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards and government auditing standards
2. Significant accounting policies
3. Alternative accounting treatments
4. Management judgments and accounting estimates
5. Financial statement disclosures
6. Significant audit adjustments
7. Auditor's judgement about the quality of the Town's accounting principles
8. Other information in documents containing audited financial statements
9. Disagreements with management
10. Management consultation with other accountants
11. Major issues discussed with management prior to retention
12. Difficulties encountered in performing the audit

D. Special Considerations

The Town will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to the Town to meet the requirements of that program.

E. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the Town of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the Town or its designees.

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 accounting significance.

III. DESCRIPTION OF THE GOVERNMENT

A. Contact Persons/Organizational Chart/Location of Offices

The auditor's principal contact with the Town will be Steven J. Alexander, Director of Administrative Services & CFO; or a designated representative who will coordinate the assistance to be provided by the Town to the auditor.

An organizational chart (Appendix A) and a list of key personnel (Appendix B) are attached.

B. Background Information

The Town serves an area of 2.2 square miles with a population of 9,083. The Town's fiscal year begins on October 1st and ends on September 30th. The Town provides the following services to its citizens:

Public safety (Police, Fire, Emergency Medical), Library, Parks, Swimming Pool, Public Services (Water, Sanitary Sewer, Garbage and Brush Collection), Streets and Street Lighting and Building Code Enforcement.

The Town has a budgeted payroll of \$14,227,457 covering 121 full-time employees and is organized into 19 departments. The accounting and financial reporting functions of the Town are centralized.

More detailed information on the government and its finances can be found in the Town's Official Budget document for the 2020-2021 Fiscal Year, and the Town's Comprehensive Annual Financial Report. These reports can be found on the Town's website, www.hptx.org. The Town's Statement of Financial Management Policies can be made available as requested.

C. Fund Structure

The Town uses the following fund types in its financial reporting:

Fund Type	Number of Individual Funds	Number of Funds with Legally Adopted Budgets
General Fund	1	1
Capital Projects	1	1
Stormwater Drainage	1	1
Special Revenue	7	7
Enterprise	1	1
Internal Service	3	3
Fiduciary	0	0

D. Budgetary Basis of Accounting

The Town prepares its budgets for the General, Capital Projects, Stormwater Drainage and Special Revenue Funds on a modified accrual basis while the budgets for the Enterprise and Internal Service Funds are prepared on a basis consistent with generally accepted accounting principles (“GAAP”), except that capital outlays are treated as expenses.

E. Pension Plans

The Town participates in the Texas Municipal Retirement System (“TMRS”), an agent multiple-employer public employee retirement system.

F. Component Units (None Present)

G. Magnitude of Finance Operations

The finance department is headed by Steven J. Alexander, Director of Administrative Services & CFO, and consists of five (5) employees. The principal functions performed within this department include general accounting, accounts payable processing, purchase order processing, financial report generation, centralized human resources management (benefits and pay plan), payroll processing and treasury functions.

H. Internal Audit Function

There is no designed internal auditor position. Finance duties are aligned so that most functions are subject to a second approval or review. Detailed monthly and quarterly checklists are followed and maintained as well as monthly financial report generation and review by the Director, Town Council, and Finance and Audit Advisory Committee.

I. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters should contact Kevin Kemp at BKD, LLP at (972) 702-8283. The Town will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	April 14, 2021
Due date for proposals	May 12, 2021
Council Committee Interviews	May 21, 2021

B. Notification and Contract Dates

Selected firm notified	July 6, 2021
Contract date	July 13, 2021

C. Audit Schedule

An audit schedule for the Fiscal Year 2020-2021 is included herein as Appendix C. A similar time schedule will be developed for audits of future fiscal years if the Town exercises its option for additional audits

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of Town.

B. Statements and Schedules to be prepared by the Staff of the Town

The staff of Town currently prepares the PBC list which is included as Appendix D.

Please include any additional statement or schedule that may be required in your proposal.

C. Work Area, Telephones, Photocopying, Scanning, and WIFI

The Town will provide the auditor with reasonable workspace, desks and chairs. The auditor will also be provided with access to a telephone line, photocopying facilities, scanning, and WIFI.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

Two (2) sealed copies of the proposal must be received prior to 3:00 PM, Wednesday, May 12, 2021. All copies of the proposal must be under sealed cover and plainly marked as “Professional Auditing Services Proposal” and delivered to:

Physical Address: Steven J. Alexander
Director of Administrative Services & CFO
4700 Drexel Drive
Highland Park, Texas 75209

Inquiries regarding the RFP may be addressed to Jason Carter, Senior Accounting Technician, by phone at 214-559-9378 or by e-mail at jcarter@hptx.org. Inquiries to any other person other than the person so named in this RFP may result in elimination of the proposal from any further consideration.

B. Submission of Proposals

Proposals should include the following:

Title Page showing the request for proposals subject; the firm's name; the name, address, phone number and e-mail address of the contact person; and the date of the proposal.

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Signed Transmittal Letter briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for (45) days.

The proposer shall include a separately sealed dollar cost bid.

C. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the Town of Highland Park in conformity within the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form of manner of presentation. The Technical Proposal should demonstrate the qualification of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in the sealed dollar cost bid.)

Independence – The firm should provide an affirmative statement that is independent of the Town of Highland Park as defined by generally accepted auditing standards.

License to Practice in Texas – An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Texas.

Firm Qualifications and Experience – The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

The firm is also required to submit a copy of the local office's most recent peer review and its status under the AICPA peer review program.

Please note that the Town will not consider proposals from joint ventures or consortiums.

Partner, Supervisory and Staff Qualifications and Experience – Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education of the staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Similar Engagements with Other Government Entities – The proposer should provide a list of local government clients served in the past five (5) years by the local office. Current clients should be identified with contact name, e-mail address and telephone number for each.

Pending and Settled Litigation – Describe all major pending and settled litigation of the firm during the past three (3) years. Please identify any litigation involving the local office.

Disciplinary Action – 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 or federal regulatory bodies, oversight committees, or professional organizations.

D. Specific 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 developing the work plan, reference should be made to such sources of information as Town's 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:

1. Proposed segmentation of the engagement
2. Level of staff and number of hours to be assigned to each proposed segment of the engagement
3. Extent of use of electronic data processing software in the engagement
4. Type and extent of analytical procedures to be used in the engagement
5. Approach to be taken in determining laws and regulations that will be subject to audit test work
6. Approach to be taken in drawing audit samples for purposes of tests of Compliance

E. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Town.

F. Report Format

The proposal should include sample formats for required reports.

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL

G. Sealed Dollar Cost Bid

Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses. A cost proposal form has been provided in Appendix E.

The Town will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

H. Rates for Additional Professional Services

If it should become necessary for the Town to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the Town and the firm. Any such additional work agreed to between the Town and the firm shall be performed at the same rates set as specified herein.

I. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month.

J. Status of Auditor

It is the intent of the parties that the Auditor shall be considered an independent contractor and that Auditor, and anyone else for whom it is legally liable, shall not be considered employees, servants or agents of the Town for any purpose. Furthermore, this Agreement shall not be construed to be a partnership or joint venture.

Neither Auditor nor any of its employees or contractors shall be eligible to participate in Town's industrial insurance, unemployment, disability, medical, dental, life or other insurance programs, or any other benefit or program that is sponsored, financed or provided by Town for its employees.

Auditor agrees that it shall be Auditor's exclusive responsibility to pay all federal, state, or local payroll, social security, disability, industrial insurance, self-employment insurance, income and other taxes and assessments related to this Agreement. Neither FICA (Social Security), FUTA (Federal Unemployment), nor local state or federal income taxes will be withheld from payments to Auditor. Auditor shall at the Auditor's expense pay and be fully liable and responsible for, and indemnify and hold harmless Town from, any assessments, fines or penalties relating to Auditor's failure to uphold any of these responsibilities.

K. Warranties

Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express written permission of the Town. Proposer shall complete the Proposer's Warranties form provided in Appendix F.

VII. EVALUATION PROCEDURES

A. Review of Proposals

The Town will use a point formula during the review process to score proposals based on each of the criteria described below. Members of the Town's Finance & Audit Advisory Committee will be invited to participate in the selection process, including the oral interviews, if any. The ultimate decision shall be based on all the criteria as well as non-qualified criteria or evaluation of staff. A recommendation will be presented for final selection by the Town Council. Firms with an unacceptably low technical score will be eliminated from further consideration.

After the technical score for each firm has been established, the sealed dollar cost bid will be opened and additional points will be added to the technical score based on the price bid. The maximum score for price will be assigned to the firm offering the lowest total all-inclusive maximum price. Appropriate fractional scores will be assigned to other proposers.

The Town reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for technical qualifications, price and commitment to governmental accounting and auditing. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements
 - a. The audit firm is independent and licensed to practice in Texas.
 - b. The firm has no conflict of interest with regard to any other work performed by the firm for the Town.
 - c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
 - d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
2. Technical Quality: (Maximum Points – 50)
 - a. Expertise and Experience
 - (1) The firm's past experience and performance on comparable government engagements
 - (2) The 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 technical consultation
 - b. Audit Approach
 - (1) Adequacy of proposed staffing plan for various segments of the engagement
 - (2) Adequacy of sampling techniques
 - (3) Adequacy of analytical procedures
 - c. Responsiveness of the proposal in clearly stating an understanding of the work to be performed, including scheduling, completeness, and thoroughness of the technical data and documentation
3. Price: (Maximum Points – 30)

4. 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 Officer's Association (GFOA or GFOA of Texas) or Texas Municipal League (TML) (Maximum Points – 20)

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN
AUDIT FIRM

C. Oral Presentations

During the evaluation process, the Finance & Audit Advisory Committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide Firms with an opportunity to answer any questions the Finance & Audit Advisory Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The Town Council will select a firm based upon the recommendation of the Finance & Audit Advisory Committee.

It is anticipated that a firm will be selected by July 6, 2021. Following notification of the firm selected, it is expected a contract will be executed between both parties by July 13, 2021.

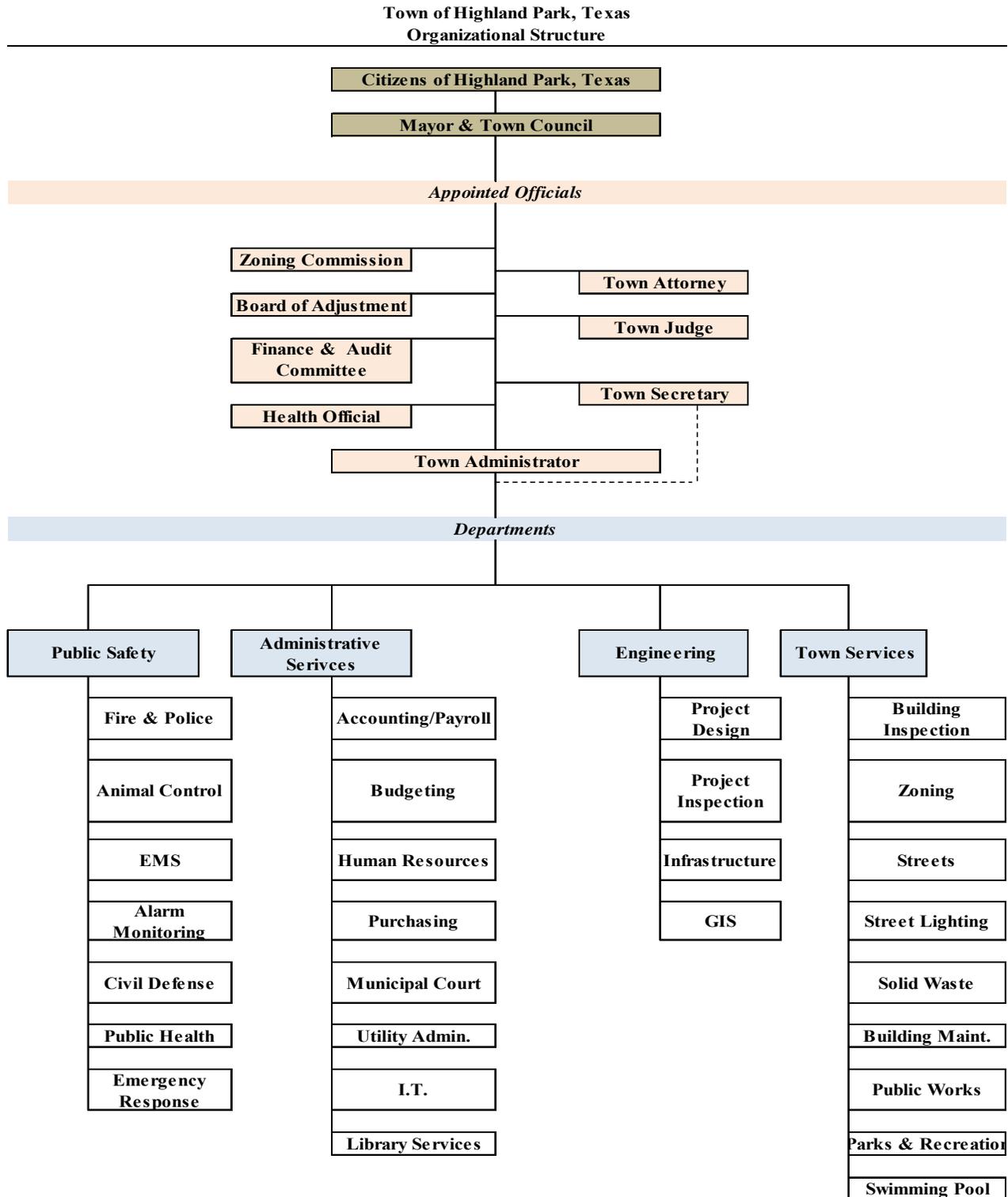
E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town and the firm selected.

The Town reserves the right to reject any or all proposals.

APPENDIX A

ORGANIZATIONAL STRUCTURE



APPENDIX B

LIST OF KEY PERSONNEL, OFFICE LOCATIONS AND TELEPHONE NUMBER

<u>Name and Title</u>	<u>Location of Office</u>	<u>Telephone</u>
Bill Lindley, Town Administrator	4700 Drexel Drive, Highland Park, Texas 75205	214-521-4161
Matthew C.G. Boyle, Town Attorney	4700 Drexel Drive, Highland Park, Texas 75205	214-521-4161
Steven J. Alexander, CFO	4700 Drexel Drive, Highland Park, Texas 75205	214-521-4161
Karen Kurtin, Controller	4700 Drexel Drive, Highland Park, Texas 75205	214-521-4161

APPENDIX C

FISCAL YEAR 2020-2021 AUDIT SCHEDULE

The following schedule is not prepared to be inclusive of all target dates related to the audit process and production of financial statement processes, but shall serve as a guide to achieve the target date for submission of the Comprehensive Annual Financial Report to the Town Council as scheduled.

The Town will have all records ready for audit and all management personnel available to meet with the firm's personnel as of November 8, 2021.

Each of the following should be completed by the auditor no later than the dates indicated.

1. Detailed Audit Plan

The auditor shall provide Town by August 20, 2021 both a detailed audit plan and a list of all schedules to be prepared by the Town.

2. Interim Work

The auditor shall complete interim work by September 17, 2021.

3. Fieldwork

The auditor shall complete all fieldwork by November 29, 2021.

4. Draft Reports

The auditor shall have drafts of the audit report[s] and recommendations to management available for review by the Finance & Audit Advisory Committee and the chief financial officer by December 17, 2021.

5. Conferences (A similar time schedule will be developed for audits of future fiscal years if the Town exercises its option for additional audits).

At a minimum, the following conferences should be held by the dates indicated on the schedule:

Week of

A. Entrance conference

August 23, 2021

The purpose of this meeting is to meet with the Director of Administrative Services & CFO, Controller, and key finance department personnel to discuss prior audit problems and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the auditor.

B. Progress conference.

October 16, 2021

The purpose of this meeting is to meet with the Director of Administrative Services & CFO and Controller to commence year-end audit work.

C. Exit conference

December 23, 2021

The purpose of this meeting is to meet with the Director of Administrative Services & CFO and Controller to summarize the results of the fieldwork and to review significant findings.

In addition, the auditor shall provide written reports on the progress of the audit as conditions warrant.

6. Date the draft deliverables are due

The draft comprehensive annual financial report shall be submitted to the Town by December 17, 2021. The Management Discussion and Analysis in the week following receipt of draft comprehensive annual financial report for the auditor's final review.

Once all reporting issues have been resolved, the auditor shall submit to the Director of Administrative Services & CFO an electronic copy of a draft of the Report of the Independent Auditor, the Comprehensive Annual Financial Report, the Report to the Town's elected officials and management and the Report on Internal Control Over Financial Reporting.

7. Date the final deliverables are due

The auditor shall submit to the Director of Administrative Services & CFO an electronic copy of a final Report of the Independent Auditor, the Comprehensive Annual Financial Report, the Report to the Town's elected officials and management and the Report on Internal Control Over Financial Reporting on January 19, 2022.

APPENDIX D - SCHEDULES PREPARED BY CLIENT

<u>Interim Audit</u>
Description
Property Tax: Ordinance for levy for the 2020 tax year
Insurance Coverage: Declarations from TML for 2019/2020
GFOA comments for FY 2019 CAFR
GFOA award
FY 2020 Organization Chart
Listing of Principal Officials
Statistical Updates: Revenue Capacity (except Property Tax Collections, last table in this section)
Statistical Updates: Demographic and Economic Section and Operating Information Section
Bank statements for 10/31/19 through 10/30/2020
Completed AWP150 Client Planning Questionnaire
Property Tax Confirmation: Current and delinquent tax roll confirmation
Property Tax Confirmation: 2019 Taxable Assessed Value and Levy
Detail of legal expense accounts. Individual invoices selected as needed.
Capital Confirmation Updates (Plains Capital CD). Please update list for changes.
TMRS Census Data as of 12/31/19
List of new hires and terminations for calendar year 2019
TMRS and OBEP Plan changes, if any
TMRS GASB 68 Reporting Package
Town Council Meeting Minutes (we will obtain from Town web site, please ensure most recent are posted)
FY 2019 Budget (original and amended)
Changes to Internal Control Process Memos, if any
Employee Handbook (if amended)
<u>Accounts Payable</u>
Description
Disbursements register (checks/ACH/EFT) - 10/1/2020 through most recent check run
Accounts payable at 9/30/2020 by fund, with supporting detail listing of items that make it up (including aging and reconciliation if necessary)
Retainage payable schedule by fund and by vendor
<u>Accounts Receivable</u>
Description
Property Tax: Dallas County Monthly Report (Reconciliation of Property Tax Receivable) as of 9/30/20 and 10/31/20
Detail listing of EMS Receivable and Allowance Calculation
Detail listing of Other Accounts Receivable (if any) and payment support
Detail listing of Franchise Fee AR and subsequent payment support
Detail listing of Court AR and October 2020 Collections
Utility: Schedule of Unbilled Receivables (acct 20.1154) as of 9/30/2020
Utility: Subsequent Collections from 10/1/2020 through fieldwork
Utility: "Monthly Billing Report" from 10/1/2019 - 9/30/2020 from Beth Jones in the Utility Billing Department
Utility: Accounts receivable aging detail (acct 20.1150) as of 9/30/2020
Schedule of interfund receivables and payables at 9/30/2020 (please include reasons for the due to/from)
Inventory Detail for Utility Fund
<u>Accrued Liabilities</u>
Description
TCCQ Underground Storage Tank Registration & Self-Certification Form; Financial Responsibility Calculation
Payroll accrual for 9/30/2020 with supporting detail for calculation
Number of employees at the end of each quarter- 12/31/2019, 3/31/2020, 6/30/2020, and 9/30/2020
Schedule of Compensated Absences with supporting detail for calculation (in excel)
The Quarterly Report for State Criminal Costs and Fees ending 9/30/2020. Paid 10/19/2020
Utility: Schedule of deposits as of 9/30/2020 in excel
Lot Clearing and Excavation Deposits as of 9/30/2020 in excel
EMS Deferred Revenue Calc as of 9/30/2020 in excel
OPEB: Disclosure from GRS for CAFR Note 6- GASB 75
OPEB: Actuarial Report, if changed from 12/31/2019. - GASB 75
<u>CAFR Docs</u>
Description
Final trial balance
Journal Entry Detail for all Entries made to the Capital Projects Fund
Statistical Updates: Revenue Capacity (Property Tax Collections, last table in this section)
Preliminary Analytics - Explanation of changes over 15% and dollar threshold (template and amount by fund to be provided)
Transmittal Letter
Front and back cover art work for FY20 CAFR
MD&A
<u>Capital Assets</u>
Description
Capital asset rollforward for governmental activities and business type (Note 2 in CAFR)
Detail list of items sold or disposed of (agreed to deletions in rollforward)
Detail listing of capital asset additions (agreed to additions in rollforward)
List of completed WIP (agreed to transfers out of WIP and into depreciable asset)
Depreciation schedules
Depreciation by function/program (Note 2 in CAFR)
Construction retainage schedule at 9/30/2020
Detail listing of open construction projects (WIP) at 9/30/2020
Detail of all capital assets with useful lives, acquisition date, and original cost
Ensure governmental capital asset additions/WIP additions tie to capital outlay expenditure accounts
<u>Cash and Investments</u>
Description
Bank reconciliations for all accounts at 9/30/2020
Detailed listing of outstanding checks and deposits in transit at 9/30/2020
Bank statements for 9/30/2019 and 10/31/2020
Pledge security notifications
"Investment Roll-Forward" for all investment accounts (In excel)
Plains Capital investment statements at 10/31/2020
Schedule of interest receivable
<u>Confirmations and Legal</u>
Description
All cash/cash equivalent account capital confirmation updates. Please update list for changes.
All investment accounts hard copy confirmations (Plains Capital). Please update list for changes.
Franchise fees confirmations
Wireless 911 fee confirmations
Water purchased confirmation
<u>GASB 68 Data</u>
Description
TMRS Summary of Monthly Payroll Reports Oct 2018 through September 2020
TMRS Authorized Contacts
<u>Permanent File</u>
Description
Support for any other restricted, committed, assigned fund balances new in 2020 - Reserve Fund
<u>Revenue and Transfers</u>
Description
Schedule of interfund transfers at 9/30/2020 (please include reasons for the transfers)
Contributions detail (if any) from Dallas County, SMU or Misc receipts
Alarm Permit and Alarm Monitoring revenue detail
Building Permit revenue detail
Sanitation Collections revenue detail
EMS revenue detail
Municipal Court Fine revenue detail

APPENDIX E

COST PROPOSAL FORM

Audit Services Proposed for the Town of Highland Park

Submitted By: _____

	Number of Hours	Hourly rate	Total Proposed
Partner			
Manager			
Supervisor			
Audit Staff			
Audit Staff			
Support Staff			
Subtotal			

Other Expenses: _____

Total Maximum price 2021 Audit _____

Partner			
Manager			
Supervisor			
Audit Staff			
Audit Staff			
Support Staff			
Subtotal			

Other Expenses: _____

Total Maximum price 2022 Audit _____

Partner			
Manager			
Supervisor			
Audit Staff			
Audit Staff			
Support Staff			
Subtotal			

Other Expenses: _____

Total Maximum price 2023 Audit _____

Projected Audit price **2024** _____

Projected Audit price **2025** _____

APPENDIX F

PROPOSERS WARRANTIES

- A. Proposer warrants that it is willing and able to comply with State of Texas laws with respect to foreign (non-state of Texas) corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town of Highland Park.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.
- E. Proposer warrants that it understands and will adhere to the requirements set forth in this RFP and all of the requirements of the RFP which will be an attachment to the contract. Proposer also warrants that any additions, changes, or deletions made during negotiations will be made a part of this proposal under a binding contract between the Town of Highland Park and the successful proposer.
- F. Proposer warrants that this proposal is made without previous understanding, agreement, or connection with any person, firm, or corporation making a proposal for the same materials, and is in all fair and without collusion or fraud.

Authorized Company Representative Please Sign Below:

Signature: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

APPENDIX G

INSURANCE REQUIREMENTS

The successful proposer shall at Proposer's own expense, purchase, maintain and keep in force during the term of this contract such insurance as set forth below. Proposer shall not commence work under this contract until Proposer has provided certified copies of all insurance certificates to the Town's Finance Department and such insurance has been approved by the Town. The insurance requirements shall remain in effect throughout the term of this Contract.

1. Professional Liability Insurance: including contractual liability in an amount not less than \$1,000,000.
2. Commercial General Liability Insurance: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. This policy shall have no coverage removed by exclusions.
3. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage, including owned, non-owned, and hired vehicle coverage.
4. Workers' Compensation: Statutory limits as required by Texas Law, including employer's liability coverage at \$500,000. In addition to these, the contractor must meet each stipulation below as required by the Texas Workers Compensation Commission; (Note: If you have questions concerning these requirements, you are instructed to contact the DWC).
 - a) By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
 - b) The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the governmental entity.

Additional Requirements:

1. Town shall be named as an additional insured on the Commercial General Liability and Automobile Liability insurance policies. These insurance policies shall contain the appropriate additional insured endorsement signed by a person authorized by that insurer to bind coverage on its behalf.
2. Should Professional Liability Coverage be provided on a "claims-made" form, the successful proposer must maintain this policy for a period of four (4) years after completion of this project or purchase the extended reporting period or "tail coverage".
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the Town.
4. Insurance is to be placed with insurers with a Best rating of no less than A:VII. The company must also be duly authorized to transact business in the State of Texas.