



COLLIN COUNTY

SERVICES, PROFESSIONAL AUDIT

RFP 2016-161

**Geri Osinaike, Senior Buyer
Jack Hatchell Administration Building
2300 Bloomdale Road, Ste. 3160
McKinney, TX 75071**

**(P) 972-548-4107 (F) 972-548-4694
gosinaike@co.collin.tx.gov**

Collin County exclusively uses IonWave Technologies, Inc. ([Collin County eBid](#)) for the notification and dissemination of all solicitations. The receipt of solicitations through any other means may result in your receipt of incomplete specifications and/or addendums which could ultimately render your bid/proposal non-compliant. Collin County accepts no responsibility for the receipt and/or notification of solicitations through any other means.

LEGAL NOTICE

By order of the Commissioners' Court of Collin County, Texas, sealed proposals will be received by the Purchasing Agent, 2300 Bloomdale Road, Suite 3160, McKinney, TX 75071, until **2:00 P.M., Thursday, October 6, 2016** for competitive proposals on **Services, Professional Audit, RFP No. 2016-161, Court Order**. Proposers should use lump sum pricing. Funds for payment have been provided through Collin County budget approved by the Commissioners' Court for this fiscal year only. Proposers may obtain detailed specifications and other documents at Office of the Purchasing Agent: Collin County Administration Building, Purchasing Department, 2300 Bloomdale Road, Suite 3160, McKinney, TX 75071, 972-548-4165, or by going to: via <https://collincountytx.ionwave.net>. Sealed proposals will be opened on **Thursday, October 6, 2016 at 2:00 P.M.** by the Purchasing Agent, Collin County Administration Building, Purchasing Department, 2300 Bloomdale Road, Suite 3160, McKinney, TX 75071. The Commissioners' Court reserves the right to reject any and all proposals.



ATTENTION: CLASSIFIEDS
BILL TO: ACCOUNT NO 06100315-00
COMMISSIONERS' COURT

NOTICE TO PUBLISHERS: Please publish in your issue on **Thursday, September 15, 2016** and **Thursday, September 22, 2016**. A copy of this notice and the publishers' affidavit must accompany the invoice when presented for payment.

NEWSPAPER: Plano Star Courier
DATE: September 13, 2016
FAX: 972-529-1684

Collin County, Texas

Bid Information

Bid Owner Sara Hoglund, CPPB Asst.
 Purchasing Agent
 Email shoglund@co.collin.tx.us
 Phone (972) 548 4104
 Fax (972) 548 4694

 Bid Number 2016-161
 Title Services, Professional Audit
 Bid Type RFP
 Issue Date 09/14/2016
 Close Date 10/6/2016 02:00:00 PM (CT)

Contact Information

Address 2300 Bloomdale Rd.
 Ste. 3160
 McKinney, TX 75071
 Contact Sara Hoglund, CPPB Asst.
 Purchasing Agent
 Department Purchasing
 Building Admin. Building
 Floor/Room Ste.3160
 Telephone (972) 548 4104
 Fax (972) 548 4694
 Email shoglund@co.collin.tx.us

Ship to Information

Address _____

 Contact _____
 Department _____
 Building _____
 Floor/Room _____
 Telephone _____
 Fax _____
 Email _____

Supplier Information

Company Name _____
 Contact Name _____
 Address _____

 Telephone _____
 Fax _____
 Email _____

Supplier Notes

The undersigned hereby certifies the foregoing proposal submitted by the company listed below hereinafter called "offeror" is the duly authorized agent of said company and the person signing said proposal has been duly authorized to execute same. Offeror affirms that they are duly authorized to execute this contract; this company; corporation, firm, partnership or individual has not prepared this proposal in collusion with any other offeror or other person or persons engaged in the same line of business; and that the contents of this proposal as to prices, terms and conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Signature _____ Date ____ / ____ / ____

Bid Notes

Please login to view documents. The County seeks proposals for is requesting proposals from qualified firms of certified public accountants to audit its financial statements. Any questions related to this RFP shall be directed to Geri Osinaike, gosinaike@co.collin.tx.us.

Bid Activities

Date	Name	Description
9/22/2016 05:00:00 PM (CT)	Deadine to Submit Qustions	Deadline to Submit Questions Thursday September 22, 2016 at 5:00pm. Send all questions to Geri Osinaike, gosinaike@co.collin.tx.us
9/22/2016 05:00:00 PM (CT)	Intent to Submit Proposal	Do you intend to submit a proposal? NOTE: All items under the ATTRIBUTES TAB need to be completed before system completes final submission.

Bid Messages

Bid Attachments

The following attachments are associated with this opportunity and will need to be retrieved separately

Line	Filename	Description
Header	Legal Notice Professional Audit 2016-161.docx	Legal Notice
Header	Bid Doc.pdf	Bid Document (Complete if submitting MANUAL Bid)
Header	General Instructions_Proposals.docx	General Instructions_Proposals
Header	Terms of Contract_Proposals.docx	Terms of Contract - Proposals
Header	Insurance.doc	Insurance
Header	RFP Services, Professional Audit Final.pdf	RFP Specification
Header	ATTACHMENT A - Proposer Guarantees.docx	Attachment A Proposer Guarantees
Header	ATTACHMENT B - Proposer Warranties.docx	Attachment B Proposer Warranties
Header	ATTACHMENT C - Part One Professional Fees 2016 - 2018.xlsx	ATTACHMENT C - Part One Professional Fees 2016 - 2018
Header	ATTACHMENT C - Part Two Professional Fees 2016 - 2018.xlsx	ATTACHMENT C - Part Two Professional Fees 2016 - 2018
Header	HB23 CIQ 2016-161.pdf	Information Regarding Conflict of Interest Questionnaire
Header	CIQ_113015.pdf	Conflict of Interest Questionnaire
Header	W9_2014.pdf	W-9

Bid Attributes

Please review the following and respond where necessary

#	Name	Note	Response
1	Delivery	<p>Delivery will be F.O.B. inside delivery at Collin County designated locations and all transportation charges are to be paid by the supplier to destination.</p> <p>Please state delivery in calendar days from date of order.</p>	_____ (Required)
2	Exceptions	<p>Do you take exceptions to the specifications. If so, by separate attachment, please state your exceptions.</p> <p>Valid Responses: [Please Select], Yes, No</p>	_____ (Required)
3	Insurance	<p>I understand that the insurance requirements of this solicitation are required and a certificate of insurance shall be submitted to the Purchasing department if I am awarded all or a portion of the resulting contract.</p> <p>Please initial.</p>	_____ (Required)

- 4 Subcontractors State the business name of all subcontractors and the type of work they will be performing under this contract. _____ (Required)
- If you are fully qualified to self-perform the entire contract, please respond with "Not Applicable-Self Perform".
- 5 Reference No. 1 List a company or governmental agency where these same/like products /services, as stated herein, have been provided. _____ (Required)
- Include the following: Company/Entity, Contact, Address, City/State/Zip, Phone, and E-Mail.
- 6 Reference No. 2 List a company or governmental agency where these same/like products /services, as stated herein, have been provided. _____ (Required)
- Include the following: Company/Entity, Contact, Address, City/State/Zip, Phone, and E-Mail.
- 7 Reference No. 3 List a company or governmental agency where these same/like products /services, as stated herein, have been provided. _____ (Required)
- Include the following: Company/Entity, Contact, Address, City/State/Zip, Phone, and E-Mail.
- 8 Cooperative Contracts As permitted under Title 8, Chapter 271, Subchapter F, Section 271.101 and 271.102 V.T.C.A. and Title 7, Chapter 791, Subchapter C, Section 791.025, V.T.C.A., other local governmental entities may wish to also participate under the same terms and conditions contained in this contract. Each entity wishing to participate must enter into an inter-local agreement with Collin County and have prior authorization from vendor. If such participation is authorized, all purchase orders will be issued directly from and shipped directly to the local governmental entity requiring supplies/services. Collin County shall not be held responsible for any orders placed, deliveries made or payment for supplies/services ordered by these entities. Each entity reserves the right to determine their participation in this contract. _____ (Required)
- Would bidder be willing to allow other local governmental entities to participate in this contract, if awarded, under the same terms and conditions?
Valid Responses: [Please Select], Yes, No

9 Preferential Treatment

The County of Collin, as a governmental agency of the State of Texas, may not award a contract to a nonresident bidder unless the nonresident's bid is lower than the lowest bid submitted by a responsible Texas resident bidder by the same amount that a Texas resident bidder would be required to underbid a nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located (Government Code, Title 10, V.T.C.A., Chapter 2252, Subchapter A). _____ (Required)

1. Is your principal place of business in the State of Texas?
2. If your principal place of business is not in Texas, in which State is your principal place of business?
3. If your principal place of business is not in Texas, does your state favor resident bidders (bidders in your state) by some dollar increment or percentage?
4. If your state favors resident bidders, state by what dollar amount or percentage.

10 Debarment Certification

I certify that neither my company nor an owner or principal of my company has been debarred, suspended or otherwise made ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension," as described in the Federal Register and Rules and Regulations. _____ (Required)

Please initial.

11 Immigration and Reform Act

I declare and affirm that my company is in compliance with the Immigration and Reform Act of 1986 and all employees are legally eligible to work in the United States of America. _____ (Required)

I further understand and acknowledge that any non-compliance with the Immigration and Reform Act of 1986 at any time during the term of this contract will render the contract voidable by Collin County.

Please initial.

12 Disclosure of Certain Relationships

Chapter 176 of the Texas Local Government Code requires that any vendor considering doing business with a local government entity disclose the vendor's affiliation or business relationship that might cause a conflict of interest with a local government entity. Subchapter 6 of the code requires a vendor to file a conflict of interest questionnaire (CIQ) if a conflict exists. By law this questionnaire must be filed with the records administrator of Collin County no later than the 7th business day after the date the vendor becomes aware of an event that requires the statement to be filed. A vendor commits an offense if the vendor knowingly violates the code. An offense under this section is a misdemeanor. _____ (Required)

By submitting a response to this request, the vendor represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

Please send completed forms to the Collin County County Clerk's Office located at 2300 Bloomdale Rd., Suite 2104, McKinney, TX 75071.

Please initial.

- 13 Disclosure of Interested Parties _____ (Required)
- Section 2252.908 of the Texas Government Code requires a business entity entering into certain contracts with a governmental entity to file with the governmental entity a disclosure of interested parties at the time the business entity submits the signed contract to the governmental entity. Section 2252.908 requires the disclosure form (Form 1295) to be signed by the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury. Section 2252.908 applies only to a contract that requires an action or vote by the governing body of the governmental entity before the contract may be signed or has a value of at least \$1 million. Section 2252.908 provides definitions of certain terms occurring in the section.
- Section 2252.908 applies only to a contract entered into on or after January 1, 2016.
- Please initial.
- 14 Notification Survey _____ (Required)
- In order to better serve our offerors, the Collin County Purchasing Department is conducting the following survey. We appreciate your time and effort expended to submit your bid. Should you have any questions or require more information please call (972) 548-4165.
- How did you receive notice of this request?
Valid Responses: [Please Select], Plano Star Courier, Plan Room, Collin County eBid Notification, Collin County Website, Other
- 15 Proposer Acknowledgement _____ (Required)
- Proposer acknowledges, understands the specifications, any and all addenda, and agrees to the proposal terms and conditions and can provide the minimum requirements stated herein. Offeror acknowledges they have read the document in its entirety, visited the site, performed investigations and verifications as deemed necessary, is familiar with local conditions under which work is to be performed and will be responsible for any and all errors in Proposal submittal resulting from Proposer's failure to do so. Proposer acknowledges the prices submitted in this Proposal have been carefully reviewed and are submitted as correct and final. If Proposal is accepted, vendor further certifies and agrees to furnish any and all products/services upon which prices are extended at the price submitted, and upon conditions in the specifications of the Request for Proposal.
- Please initial.

Line Items

#	Qty	UOM	Description	Response
1	1	lump sum	State Total all-inclusive maximum price for audit 2016 per Attachment C, Professional Fees Sheet.	\$ _____ (Required) Price

Supplier Notes: _____

2	1	lump sum	State Total all-inclusive maximum price for audit 2017 per Attachment C, Professional Fees Sheet.	\$ _____ (Required) Price
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Supplier Notes: _____

3	1	lump sum	State Total all-inclusive maximum price for audit 2018 per Attachment C, Professional Fees Sheet.	\$ _____ (Required) Price
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Supplier Notes: _____

1.0 GENERAL INSTRUCTIONS

1.0.1 Definitions

1.0.1.1 Offeror: refers to submitter.

1.0.1.2 Vendor/Contractor/Provider: refers to a Successful Vendor/Contractor/Service Provider.

1.0.1.3 Submittal: refers to those documents required to be submitted to Collin County, by an Offeror.

1.0.1.4 RFP: refers to Request for Proposal.

1.0.1.5 CSP: refers to Competitive Sealed Proposal

1.1 If Offeror does not wish to submit an offer at this time, please submit a No Bid.

1.2 Awards shall be made not more than ninety (90) days after the time set for opening of submittals.

1.3 Collin County is always conscious and extremely appreciative of your time and effort in preparing your submittal.

1.4 Collin County exclusively uses ionWave Technologies, Inc. (Collin County eBid) for the notification and dissemination of all solicitations. The receipt of solicitations through any other company may result in your receipt of incomplete specifications and/or addendums which could ultimately render your bid non-compliant. Collin County accepts no responsibility for the receipt and/or notification of solicitations through any other company.

1.5 A submittal may not be withdrawn or canceled by the offeror prior to the ninety-first (91st) day following public opening of submittals and only prior to award.

1.6 It is understood that Collin County, Texas reserves the right to accept or reject any and/or all Proposals/Submittals for any or all products and/or services covered in a Request For Proposal (RFP) and Competitive Sealed Proposal (CSP), and to waive informalities or defects in submittals or to accept such submittals as it shall deem to be in the best interest of Collin County.

1.7 All RFP's and CSP's submitted in hard copy paper form shall be submitted in a sealed envelope, plainly marked on the outside with the RFP/CSP number and name. A hard copy paper form submittal shall be manually signed in ink by a person having the authority to bind the firm in a contract. Submittals shall be mailed or hand delivered to the Collin County Purchasing Department.

1.8 No oral, telegraphic or telephonic submittals will be accepted. RFP's and CSP's may be submitted in electronic format via Collin County eBid.

1.9 All Request for Proposals (RFP) and Competitive Sealed Proposals (CSP) submitted electronically via Collin County eBid shall remain locked until official date and time of opening as stated in the Special Terms and Conditions of the RFP and/or CSP.

1.10 Time/date stamp clock in Collin County Purchasing Department shall be the official time of receipt for all Request for Proposals (RFP) and Competitive Sealed Proposals (CSP) submitted in hard copy paper form. RFP's, and CSP's received in the Collin County Purchasing Department after submission deadline shall be considered void and unacceptable. Absolutely no late submittals will be considered. Collin County accepts no responsibility for technical difficulties related to electronic submittals.

1.11 For hard copy paper form submittals, any alterations made prior to opening date and time must be initialed by the signer of the RFP/CSP, guaranteeing authenticity. Submittals cannot be altered or amended after submission deadline.

1.12 Collin County is by statute exempt from the State Sales Tax and Federal Excise Tax; therefore, the prices submitted shall not include taxes.

1.13 Any interpretations, corrections and/or changes to a Request for Proposal or Competitive Sealed Proposal and related Specifications or extensions to the opening/receipt date will be made by addenda to the respective document by the Collin County Purchasing Department. Questions and/or clarification requests must be submitted no later than seven (7) days prior to the opening/receipt date. Those received at a later date may not be addressed prior to the public opening. Sole authority to authorize addenda shall be vested in Collin County Purchasing Agent as entrusted by the Collin County Commissioners' Court. Addenda may be transmitted electronically via Collin County eBid.

1.13.1 Addenda will be transmitted to all that are known to have received a copy of the RFP/CSP and related Specifications. However, it shall be the sole responsibility of the Bidder/Quoter/Offeror to verify issuance/non-issuance of addenda and to check all avenues of document availability (i.e. **Collin County eBid** <https://collincountytexas.ionwave.net/>, telephoning Purchasing Department directly, etc.) prior to opening/receipt date and time to insure Offeror's receipt of any addenda issued. Offeror shall acknowledge receipt of all addenda.

1.14 All materials and services shall be subject to Collin County approval.

1.15 Collin County reserves the right to make award in whole or in part as it deems to be in the best interest of the County.

1.16 Any reference to model/make and/or manufacturer used in specifications is for descriptive purposes only. Products/materials of like quality will be considered.

1.17 Offerors taking exception to the specifications shall do so at their own risk. By offering substitutions, Offeror shall state these exceptions in the section provided in the RFP/CSP or by attachment. Exception/substitution, if accepted, must meet or exceed specifications stated therein. Collin County reserves the right to accept or reject any and/or all of the exception(s)/substitution(s) deemed to be in the best interest of the County.

1.18 Minimum Standards for Responsible Prospective Offerors: A prospective Offeror must meet the following minimum requirements:

1.18.1 have adequate financial resources, or the ability to obtain such resources as required;

1.18.2 be able to comply with the required or proposed delivery/completion schedule;

1.18.3 have a satisfactory record of performance;

1.18.4 have a satisfactory record of integrity and ethics;

1.18.5 be otherwise qualified and eligible to receive an award.

Collin County may request documentation and other information sufficient to determine Offeror's ability to meet these minimum standards listed above.

1.20 Vendor shall bear any/all costs associated with its preparation of a RFP/CSP submittal.

1.21 Public Information Act: Collin County is governed by the Texas Public Information Act, Chapter 552 of the Texas Government Code. All information submitted by prospective bidders during the bidding process is subject to release under the Act.

1.22 The Offeror shall comply with Commissioners' Court Order No. 2004-167-03-11, County Logo Policy.

1.23 Interlocal Agreement: Successful bidder agrees to extend prices and terms to all entities that has entered into or will enter into joint purchasing interlocal cooperation agreements with Collin County.

1.24 Bid Openings: All bids submitted will be read at the county's regularly scheduled bid opening for the designated project. However, the reading of a bid at bid opening should be not construed as a comment on the responsiveness of such bid or as any indication that the county accepts such bid as responsive.

The county will make a determination as to the responsiveness of bids submitted based upon compliance with all applicable laws, Collin County Purchasing Guidelines, and project documents, including but not limited to the project specifications and contract documents. The county will notify the successful bidder upon award of the contract and, according to state law; all bids received will be available for inspection at that time.

2.0 TERMS OF CONTRACT

2.1 A proposal, when properly accepted by Collin County, shall constitute a contract equally binding between the Vendor/Contractor/Provider and Collin County. No different or additional terms will become part of this contract with the exception of an Amendment.

2.2 No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All Amendments to the contract will be made in writing by Collin County Purchasing Agent.

2.3 No public official shall have interest in the contract, in accordance with Vernon's Texas Codes Annotated, Local Government Code Title 5, Subtitle C, Chapter 171.

2.4 The Vendor/Contractor/Provider shall comply with Commissioners' Court Order No. 96-680-10-28, Establishment of Guidelines & Restrictions Regarding the Acceptance of Gifts by County Officials & County Employees.

2.5 Design, strength, quality of materials and workmanship must conform to the highest standards of manufacturing and engineering practice.

2.6 Proposals must comply with all federal, state, county and local laws concerning the type(s) of product(s)/service(s)/equipment/project(s) contracted for, and the fulfillment of all ADA (Americans with Disabilities Act) requirements.

2.7 All products must be new and unused, unless otherwise specified, in first-class condition and of current manufacture. Obsolete products, including products or any parts not compatible with existing hardware/software configurations will not be accepted.

2.8 Vendor/Contractor/Provider shall provide any and all notices as may be required under the Drug-Free Work Place Act of 1988, 28 CFR Part 67, Subpart F, to its employees and all sub-contractors to insure that Collin County maintains a drug-free work place.

2.9 Vendor/Contractor/Provider shall defend, indemnify and save harmless Collin County and all its officers, agents and employees and all entities, their officers, agents and employees who are participating in this contract from all suits, claims, actions, damages (including personal injury and or property damages), or demands of any character, name and description, (including attorneys' fees, expenses and other defense costs of any nature) brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of Vendor/Contractor/Provider's breach of the contract arising from an award, and/or any negligent act, error, omission or fault of the Vendor/Contractor/Provider, or of any agent, employee, subcontractor or supplier of Vendor/Contractor/Provider in the execution of, or performance under, any contract which may result from an award. Vendor/Contractor/Provider shall pay in full any judgment with costs, including attorneys' fees and expenses which are rendered against Collin County and/or participating entities arising out of such breach, act, error, omission and/or fault.

2.10 Expenses for Enforcement. In the event either Party hereto is required to employ an attorney to enforce the provisions of this Agreement or is required to commence legal proceedings to enforce the provisions hereof, the prevailing Party shall be entitled to recover from the other, reasonable attorney's fees and court costs incurred in connection with such enforcement, including collection.

2.11 If a contract, resulting from a Collin County RFP/CSP is for the execution of a public work, the following shall apply:

2.11.1 In accordance with V.T.C.A. 2253.021, a governmental agency that makes a public work contract with a prime contractor shall require the contractor, before

beginning work, to execute to the governmental entity a Payment Bond if the contract is in excess of \$25,000.00. Such bond shall be in the amount of the contract payable to the governmental entity and must be executed by a corporate surety in accordance with Section 1, Chapter 87, Acts of the 56th Legislature, Regular Session, 1959 (Article 7.19-1 Vernon's Texas Insurance Code).

2.11.2 In accordance with V.T.C.A. 2253.021, a governmental agency that makes a public work contract with a prime contractor shall require the contractor, before beginning work, to execute to the governmental entity a Performance Bond if the contract is in excess of \$100,000.00. Such bond shall be in the amount of the contract payable to the governmental entity and must be executed by a corporate surety in accordance with Section 1, Chapter 87, Acts of the 56th Legislature, Regular Session, 1959 (Article 7.19-1 Vernon's Texas Insurance Code).

2.12 Purchase Order(s) shall be generated by Collin County to the vendor. Collin County will not be responsible for any orders placed/delivered without a valid purchase order number.

2.13 The contract shall remain in effect until any of the following occurs: delivery of product(s) and/or completion and acceptance by Collin County of product(s) and/or service(s), contract expires or is terminated by either party with thirty (30) days written notice prior to cancellation and notice must state therein the reasons for such cancellation. Collin County reserves the right to terminate the contract immediately in the event the Vendor/Contractor/Provider fails to meet delivery or completion schedules, or otherwise perform in accordance with the specifications. Breach of contract or default authorizes the County to purchase elsewhere and charge the full increase in cost and handling to the defaulting Vendor/Contractor/Provider.

2.14 Collin County Purchasing Department shall serve as Contract Administrator or shall supervise agents designated by Collin County.

2.15 All delivery and freight charges (FOB Inside delivery at Collin County designated locations) are to be included as part of the proposal price. All components required to render the item complete, installed and operational shall be included in the total proposal price. Collin County will pay no additional freight/delivery/installation/setup fees.

2.16 Vendor/Contractor/Provider shall notify the Purchasing Department immediately if delivery/completion schedule cannot be met. If delay is foreseen, the Vendor/Contractor/Provider shall give written notice to the Purchasing Agent. The County has the right to extend delivery/completion time if reason appears valid.

2.17 The title and risk of loss of the product(s) shall not pass to Collin County until Collin County actually receives and takes possession of the product(s) at the point or points of delivery. Collin County shall generate a purchase order(s) to the Vendor/Contractor/Provider and the purchase order number must appear on all itemized invoices.

2.18 Invoices shall be mailed directly to the Collin County Auditor's Office, 2300 Bloomdale Road, Suite 3100, McKinney, Texas 75071. All invoices shall show:

2.18.1 Collin County Purchase Order Number;

2.18.2 Vendor's/Contractor's/Provider's Name, Address and Tax Identification Number;

2.18.3 Detailed breakdown of all charges for the product(s) and/or service(s) including applicable time frames.

- 2.19 Payment will be made in accordance with V.T.C.A., Government Code, Title 10, Subtitle F, Chapter 2251.
- 2.20 All warranties shall be stated as required in the Uniform Commercial Code.
- 2.21 The Vendor/Contractor/Provider and Collin County agree that both parties have all rights, duties, and remedies available as stated in the Uniform Commercial Code.
- 2.22 The Vendor/Contractor/Provider agree to protect Collin County from any claims involving infringements of patents and/or copyrights.
- 2.23 The contract will be governed by the laws of the State of Texas. Should any portion of the contract be in conflict with the laws of the State of Texas, the State laws shall invalidate only that portion. The remaining portion of the contract shall remain in effect. The contract is performable in Collin County, Texas.
- 2.24 The Vendor/Contractor/Provider shall not sell, assign, transfer or convey the contract, in whole or in part, without the prior written approval from Collin County.
- 2.25 The apparent silence of any part of the specification as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of the specification shall be made on the basis of this statement.
- 2.26 Vendor/Contractor/Provider shall not fraudulently advertise, publish or otherwise make reference to the existence of a contract between Collin County and Vendor/Contractor/Provider for purposes of solicitation. As exception, Vendor/Contractor/Provider may refer to Collin County as an evaluating reference for purposes of establishing a contract with other entities.
- 2.27 The Vendor/Contractor/Provider understands, acknowledges and agrees that if the Vendor/Contractor/Provider subcontracts with a third party for services and/or material, the primary Vendor/Contractor/Provider (awardee) accepts responsibility for full and prompt payment to the third party. Any dispute between the primary Vendor/Contractor/Provider and the third party, including any payment dispute, will be promptly remedied by the primary vendor. Failure to promptly render a remedy or to make prompt payment to the third party (subcontractor) may result in the withholding of funds from the primary Vendor/Contractor/Provider by Collin County for any payments owed to the third party.
- 2.28 Vendor/Contractor/Provider shall provide Collin County with diagnostic access tools at no additional cost to Collin County, for all Electrical and Mechanical systems, components, etc., procured through this contract.
- 2.29 Criminal History Background Check: If required, ALL individuals may be subject to a criminal history background check performed by the Collin County's Sheriff's Office prior to access being granted to Collin County. Upon request, Vendor/Contractor/Provider shall provide list of individuals to Collin County Purchasing Department within five (5) working days.
- 2.30 Non-Disclosure Agreement: Where applicable, vendor shall be required to sign a non-disclosure agreement acknowledging that all information to be furnished is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by vendor, except as provided in the contract/agreement, may cause serious harm or damage to Collin County. Therefore, Vendor agrees that Vendor will not use the information furnished for any purpose other than that stated in contract/agreement, and agrees that Vendor will not either directly or indirectly by agent, employee, or representative disclose this information, either in whole or in part, to any third party, except on a need to know basis for the purpose of evaluating any possible

transaction. This agreement shall be binding upon Collin County and Vendor, and upon the directors, officers, employees and agents of each.

2.31 Vendors/Contractors/Providers must be in compliance with the Immigration and Reform Act of 1986 and all employees specific to this solicitation must be legally eligible to work in the United States of America.

2.32 Certification of Eligibility: This provision applies if the anticipated Contract exceeds \$100,000.00 and as it relates to the expenditure of federal grant funds. By submitting a bid or proposal in response to this solicitation, the Offeror certifies that at the time of submission, he/she is not on the Federal Government's list of suspended, ineligible, or debarred contractors. In the event of placement on the list between the time of proposal submission and time of award, the Offeror will notify the Collin County Purchasing Agent. Failure to do so may result in terminating this contract for default.

2.33 Notice to Vendors/Contractors/Providers delivering goods or performing services within the Collin County Detention Facility: The Collin County Detention Facility houses persons who have been charged with and/or convicted of serious criminal offenses. When entering the Detention Facility, you could: (1) hear obscene or graphic language; (2) view partially clothed male inmates; (3) be subjected to verbal abuse or taunting; (4) risk physical altercations or physical contact, which could be minimal or possibly serious; (5) be exposed to communicable or infectious diseases; (6) be temporarily detained or prevented from immediately leaving the Detention Facility in the case of an emergency or "lockdown"; and (7) subjected to a search of your person or property. While the Collin County Sheriff's Office takes every reasonable precaution to protect the safety of visitors to the Detention Facility, because of the inherently dangerous nature of a Detention Facility and the type of the persons incarcerated therein, please be advised of the possibility of such situations exist and you should carefully consider such risks when entering the Detention Facility. By entering the Collin County Detention Facility, you acknowledge that you are aware of such potential risks and willingly and knowingly choose to enter the Collin County Detention Facility.

2.34 Delays and Extensions of Time when applicable:

2.34.1 If the Vendor/Contractor/Provider is delayed at any time in the commence or progress of the Work by an act or neglect of the Owner or Architect/Engineer, or of an employee of either, or of a separate contractor employed by the Owner, or by changes ordered in the Work, or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Vendor/Contractor/Provider's control, or by delay authorized by the Owner pending mediation and arbitration, or by other causes which the Owner or Architect/Engineer determines may justify delay, then the Contract Time shall be extended by Change Order for such reasonable time as the Owner/Architect/Engineer may determine.

2.34.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time and could not have been reasonably anticipated, and that the weather conditions had an adverse effect on the scheduled construction.

2.35 Disclosure of Certain Relationships: Chapter 176 of the Texas Local Government Code requires that any vendor considering doing business with a local government entity disclose the vendor's affiliation or business relationship that might cause a conflict of interest with a local government entity. Subchapter 6 of the code requires a vendor to file a conflict of interest questionnaire (CIQ) if a conflict exists. By law this questionnaire must be filed with the records administrator of Collin County no later than the 7th business day after the date the vendor becomes aware of an event that requires the statement to be filed. A vendor commits an offense if the vendor knowingly violates the code. An offense under this section is a misdemeanor. By submitting a response to this request, the vendor represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code. Please send

completed forms to the Collin County County Clerk's Office located at 2300 Bloomdale Rd., Suite 2104, McKinney, TX 75071.

2.36 Disclosure of Interested Parties: Section 2252.908 of the Texas Government Code requires a business entity entering into certain contracts with a governmental entity to file with the governmental entity a disclosure of interested parties at the time the business entity submits the signed contract to the governmental entity. Section 2252.908 requires the disclosure form (Form 1295) to be signed by the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury. Section 2252.908 applies only to a contract that requires an action or vote by the governing body of the governmental entity before the contract may be signed or has a value of at least \$1 million. Section 2252.908 provides definitions of certain terms occurring in the section. Section 2252.908 applies only to a contract entered into on or after January 1, 2016.

NOTE: All other terms and conditions (i.e. Insurance Requirements, Bond Requirements, etc.) shall be stated in the individual RFP/CSP Solicitation documents as Special Terms, Conditions and Specifications.

3.0 INSURANCE REQUIREMENTS

3.1 Before commencing work, the vendor shall be required, at its own expense, to furnish the Collin County Purchasing Agent with certified copies of all insurance certificate(s) indicating the coverage to remain in force throughout the term of this contract.

3.1.1 **Commercial General Liability** insurance including but not limited to the coverage indicated below. Coverage shall not exclude or limit Products/Completed Operations, Contractual Liability, or Cross Liability. Coverage must be written on occurrence form.

- Each Occurrence: \$1,000,000
- Personal Injury & Adv. Injury: \$1,000,000
- Products/Completed Operation Aggregate: \$2,000,000
- General Aggregate: \$2,000,000

3.1.2 **Workers Compensation** insurance as required by the laws of Texas, and Employers' Liability.

Employers' Liability

- Liability, Each Accident: \$500,000
- Disease-Each Employee: \$500,000
- Disease – Policy Limit: \$500,000

3.1.3 **Commercial Automobile Liability** insurance which includes any automobile (owned, non-owned, and hired vehicles) used in connection with the contract.

- Combined Single Limit – Each Accident: \$1,000,000

3.1.4 **Professional/Errors & Omissions Liability** insurance with a two (2) year extended reporting period. If you choose to have project coverage endorsed onto your base policy, this would be acceptable.

- Each Occurrence/Aggregate: \$1,000,000

3.1.5 **Umbrella/Excess Liability** insurance.

- Each Occurrence/Aggregate: \$1,000,000

3.2 With reference to the foregoing insurance requirement, the vendor shall endorse applicable insurance policies as follows:

3.2.1 A waiver of subrogation in favor of Collin County, its officials, employees, volunteers and officers shall be provided for General Liability, Commercial Automobile Liability, and Workers' Compensation.

3.2.2 The vendor's insurance coverage shall name Collin County as additional insured under the General Liability policy.

3.2.3 All insurance policies shall be endorsed to require the insurer to immediately notify Collin County of any decrease in the insurance coverage limits.

3.2.4 All insurance policies shall be endorsed to the effect that Collin County will receive at least thirty (30) days notice prior to cancellation, non-renewal or termination of the policy.

3.2.5 All copies of Certificates of Insurance shall reference the project/contract number.

3.3 All insurance shall be purchased from an insurance company that meets the following requirements:

3.3.1 A financial rating of A-VII or higher as assigned by the BEST Rating Company or equivalent.

3.4 Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain provisions representing and warranting the following:

3.4.1 Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.

3.4.2 Sets forth the notice of cancellation or termination to Collin County.

4.0 EVALUATION CRITERIA AND FACTORS

4.1 The award of the contract shall be made to the responsible offeror, whose proposal is determined to be the best evaluated offer resulting from negotiation, taking into consideration the relative importance of price and other factors set forth in the Request For Proposals in accordance with Vernon’s Texas Code Annotated, Local Government 262.030.

The Evaluation Committee will review all proposals received by the Opening date and time as part of a documented evaluation process. For each decision point in the process, the County will evaluate contractors according to specific criteria and will elevate a certain number of contractors to compete against each other. The proposals will be evaluated on the following criteria.

The County will use a competitive process based upon “selection levels.” The County recognizes that if a contractor fails to meet expectations during any part of the process, it reserves the right to proceed with the remaining contractors or to elevate a contractor that was not elevated before. The selection levels are described in the following sections.

The first part of the elevation process is to validate the completeness of the proposal and ensure that all the RFP guidelines and submittal requirements are met. Offerors may, at the discretion of the County, be contacted to submit clarifications or additional information within two business days.

LEVEL 1 – CONFORMANCE WITH MANDATORY REQUIREMENTS

The following documents shall be submitted as part of the proposal. Failure to provide these documents shall deem vendor as non-responsive.

1. The audit firm is independent and licensed to practice in Texas. (Section 6.3)
2. The audit firm's professional personnel have received adequate continuing professional education within the preceding two years. (Section 6.3)
3. The audit firm has no conflict of interest with regard to any other work performed by the firm for Collin County. (Section 6.3)
4. The audit firm submits a copy of its most recent external quality control review report. (Section 6.3)
5. Audit firm submits response to section 6.0. (Section 6.3)

Level 2 – Detailed Proposal Assessment (Maximum 70 Points)

The Evaluation Committee will conduct a detailed assessment of all proposals elevated to this Level. Criteria evaluated in Level 2:

Points	Evaluation Criteria
40	Expertise and Experience – Technical experience, Classification of staff (including consultant), Audit Team Determination and Size and structure of the firm (See section 5.0, 6.1 – 6.7, 7.0)

30	Audit Approach – (See section 6.8, 7.0)
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Offerors who score 52 points (70%) and above will be will elevate to the next evaluation level.

Level 3 – Cost (Maximum 30 Points)

Offerors who are elevated to this level will have their points combined from level 2 for a maximum 100 points total.

Points	Evaluation Criteria
30	Cost (Proposal Format Item 6.9)

Level 4 – Demonstration and Interviews (*optional*) (Maximum 100 Points)

The Evaluation Committee may request to hear oral presentations and/or interviews from selected offerors that have been elevated to Level 4. Offerors are cautioned, however, that oral presentations are at the sole discretion of the Committee and the Committee is not obligated to request them. The oral presentation is an opportunity for the County Evaluation Committee to ask questions and seek clarification of the proposal submitted. Time scheduled for any presentation will be structured with a minimum time for the contractor to make an initial presentation with the majority of time dedicated to addressing questions from the Evaluation Committee. The oral presentations, if held, will be scheduled accordingly and all presenting contractors will be notified of time and date. The following criterion is optional and will be used to evaluate those contractors elevated for interviews.

Points	Evaluation Criteria
50	Demonstration/Interview
50	Response to clarification questions and response to the RFP

Level 5 - Best and Final Offer

Offerors who are susceptible of receiving award will be elevated to Level 5 for Best and Final Offer. Offeror will be asked to respond in writing to issues and questions raised by the County as well as any other cost and implementation planning considerations in the proposal, and may be invited to present their responses on-site. Proposals will be re-evaluated based upon Criteria in level 2, and level 3 if requested.

Based on the result of the Best and Final Offer evaluation, a single offeror will be identified as the finalist for contract negotiations. If a contract cannot be reached after a period of time deemed reasonable by the County, it reserves the right to contact any of the other contractors that have submitted responses and enter into negotiations with them.

5.0 GENERAL INFORMATION & SPECIFICATIONS

- 5.1 Authorization: By order of the Commissioners' Court of Collin County, Texas sealed proposals will be received for RFP 2016-161 Services, Professional Audit.
- 5.2 Intent of Request for Proposal:
Collin County ("County") is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the calendar year ending September 30, 2016, 2017 and 2018 with the County option of the selected firm auditing its financial statements for each of the two subsequent fiscal years 2019 and 2020. These audits are to be performed in accordance the provisions contained in this request for proposals, using generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards* (2007), the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- 5.3 Term: Provide for a term contract of Three (3) year beginning October 1, 2016 for the purpose of auditing the County's financial statements for calendar years ending September 30, 2016, 2017 and 2018 with the option to renew for two (2) additional one year periods.
- 5.4 Point of Contact: Information regarding the purchasing process and the contents of this RFP may be obtained from the Collin County Purchasing Department or email gosinaike@co.collin.tx.us, Geri Osinaike, Senior Buyer.
- 5.5 Funding: Funds for payment have been provided through the County budgetary process. State of Texas statutes prohibit the County from any obligation of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that arise past the end of the current Collin County fiscal year shall be subject to budget approval.
- 5.6 Price Reduction: If during the life of the contract, the offeror's net prices to its customers for the same product(s) and/or services shall be reduced below the contracted price, it is understood and agreed that the County shall receive such price reduction.
- 5.7 Price Re-determination: A price re-determination may be considered by Collin County only at the anniversary date of a renewal year of the contract. For purpose of this contract the anniversary date will be October 1st of each year. All requests for price re-determination shall be in written form, shall be submitted a minimum of ninety (90) days prior to anniversary date and shall include documents supporting price re-determination such as Manufacturer's direct cost, postage rates, Railroad Commission rates, Federal/State minimum wage law, Federal/State unemployment taxes, F.I.C.A, Insurance Coverage Rates, etc. Collin County reserves the right to accept or reject any/all of the price re-determination as it deems to be in the best interest of the County.

- 5.8 Completion/Response Time: Offeror shall place product(s) and/or complete services at the County's designated location according to the schedule proposed by offeror in Section 5.18.
- 5.9. Approximant Value: Services payed for FY2016 was \$88,000.00.
- 5.10. Background Check: The County may require a background check for all employees that will be working on site or by VPN performed by Collin County before any work may be performed. The selected offeror shall be provided the required documents to submit required information for background checks.

5.11. **PROPOSAL SCHEDULE**

RFP released:	September 13, 2016
Deadline for questions:	September 22, 2016 at 5:00 p.m.
Proposals due:	October 6, 2016 at 2:00 p.m.
Interviews (optional)	Week of October 13, 2016
Award of Contract:	October 2016
Effective date of contract:	Upon award

Collin County reserves the right to change the schedule of events as it deems necessary.

5.12. **PURPOSE/SCOPE OF WORK**

The County requires the following audits to be performed by selected Offeror, hereinafter referred to as "Consultant".

5.12.1. Main audit which consist of:

5.12.1.1.1. The Comprehensive Annual Financial Report and the Single audit Report (Federal and State).

5.12.1.2. Two (2) single audits:

5.12.1.2.1. For Texas Juvenile Probation Commission (TJPC)

5.12.1.2.2. Community Supervision and Corrections Department (CSCD-Adult Probation).

5.12.2. The County requires the consultant to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

5.12.3. The County also desires the consultant to express an opinion on the fair presentation of County combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The

consultant is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the consultant is to provide an "in-relation-to" report on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The consultant is not required to audit the introductory section or the statistical section of the report.

- 5.12.4. The consultant 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.
- 5.12.5. The consultant is not required to audit the schedule of expenditures of federal awards. However, the consultant is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.
- 5.12.6. As required as an integral part of an audit, the consultant is expected to obtain an understanding of the internal control structure of the County and whether the internal controls have been placed in operation.
- 5.12.7. The consultant's review of procedures and controls surrounding the use of technology must be performed to provide assurance of the reliability of financial results produced from or maintained on county Information Technology resources. Through this testing and their related activities, the selected audit firm will need to consider the unique environment presented by the distributed control over information systems used to originate and process financial transactions in each of the county's departments and elected official's offices. The audit firm must provide sufficient resources for the completion of a comprehensive assessment of both application and general computer controls assessment. At a minimum, this assessment must address the requirements of the AICPA's Statement of Audit Standard (SAS) 109 and 110 (the design and operational effectiveness of application and general controls which include logical and physical security, change control, environmental controls).

5.13. AUDITING STANDARDS TO BE FOLLOWED

- 5.13.1. To meet the requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards 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* (1994), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB)

Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Audits of State and Local Governments.

- 5.13.2. In addition, the audit shall be performed in accordance with the requirements of Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter B, Rules §501.60, §501.61, and §501.62.
- 5.14. Reports to be issued: Following the completion of the audit of the County's 2016 fiscal year's financial statements and other required work, the consultant shall issue:
 - 5.14.1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
 - 5.14.2. A report on compliance and internal control over financial reporting based on an audit of the financial statements.
 - 5.14.3. A report on compliance and internal control over compliance applicable to each major federal program.
 - 5.14.4. In the required report[s] on compliance and internal controls, the consultant shall communicate to the County 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. Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the consultants shall be reported in a separate letter to County management, which shall be referred to in the report[s] on compliance and internal controls.
 - 5.14.5. The reports on compliance and internal controls shall include all instances of noncompliance.
 - 5.14.6. Irregularities and illegal acts. Consultants shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:

County Administration Manager
County Auditor
 - 5.14.7. Consultants shall assure themselves that the Commissioners' Court is informed of each of the following:

- 5.14.7.1. The consultant's responsibility under generally accepted auditing standards.
- 5.14.7.2. Significant accounting policies.
- 5.14.7.3. Management judgments and accounting estimates.
- 5.14.7.4. Significant audit adjustments.
- 5.14.7.5. Other information in documents containing audited financial statements.
- 5.14.7.6. Disagreements with management.
- 5.14.7.7. Management consultation with other accountants.
- 5.14.7.8. Major issues discussed with management prior to retention.
- 5.14.7.9. Difficulties encountered in performing the audit.

5.15. SPECIAL CONSIDERATIONS

- 5.15.1. The County will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the consultant will not be required to provide special assistance to the County to meet the requirements of that program.
- 5.15.2. The County currently anticipates it will prepare one or more official statements in connection with the sale of debt securities, which will contain the general-purpose financial statements and the auditor's report thereon. The consultant shall be required, if requested by the fiscal advisor and/or the under-writer, to issue a "consent and citation of expertise" as the consultant and any necessary "comfort letters."
- 5.15.3. The County has determined that the Texas Department of State Health Services will function as the cognizant agency in accordance with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- 5.15.4. The Schedule of Expenditures of Federal and State Awards and related auditor's report, the Juvenile Probation Department audit and the Community Supervision and Corrections Department, as well as the reports on the internal control structure and compliance are not to be included in the comprehensive annual financial report, but are to be issued separately and submitted to the governing authority by the due dates.

5.16. WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS

- 5.16.1. All working papers and reports must be retained, at the consultant's expense, for a minimum of five (5) years, as required by Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter C, Rule § 501.76, unless the firm is notified in writing by the County of the need to extend the retention period.

5.16.2. The consultant will be required to make working papers available, upon request, to representatives of the County.

5.16.3. In addition, the firm shall respond to the reasonable inquiries of successor consultants and allow successor consultants to review working papers relating to matters of continuing accounting significance.

5.17. **BACKGROUND INFORMATION:**

5.17.1. County Auditor: The consultant's principal contact with the “County” will be Jeff May, County Auditor, or a designated representative, who will coordinate the assistance to be provided by the “County” to the consultant.

5.17.2. County Background Information: Collin County serves an area of about 847 square miles with an estimated population of 886,000. The County’s fiscal year begins on October 1 and ends on September 30. The County provides the traditional governmental services of Public Safety, Public Works, Justice, General Administration, Parks & Recreation, Jail Operations, and other county-related activities.

5.17.3. The Collin County 2015 General Fund Budget is \$166,627,094; the adopted operating budget for the county is \$191,849,094. The operating budget has \$104,535,132 payroll budgeted for 1,815 full-time employees. Other information about the County includes:

<u>Description</u>	<u>FY2015</u>
Purchased Orders Issued	9,720
Accounts Payable Checks Issued	18,203
AP Invoices Processed	46,985
Payroll Checks Issued	6,379
Direct Deposit Payroll Transactions	39,324
Jury Checks Issued	22,920
Cash Receipts Issued by Treasury	8,665
Number of Deposits Processed by Treasury	4,417
Purchasing Card Transactions	3,152
Purchasing Cards Issued	456
Purchasing Card Dollar Volume	\$536,772
Property Taxes – Levied	\$212,129,829
Property Taxes Collected	\$213,408,176

The County is organized into departments and elected official offices. The accounting and financial reporting functions of the County are centralized in the County Auditor’s office. Cash receipts are decentralized into various offices and departments. More detailed information on the government and its finances can be found in the 2015 Comprehensive Annual Financial Report and the 2015

Annual Budget document. These documents are available on the Collin County website.

5.17.4. Fund Structure

The County uses the following fund types and account groups in its financial reporting:

Fund Type	No. of Individual Funds	No. of Rolled Up Funds Reported in CAFR
General Fund	16	1
Special Revenue Funds	69	40
Debt Service Funds	1	1
Capital Projects Funds	38	8
Enterprise Funds	1	1
Internal Service Funds	6	6
Agency Funds	29	0
Others	0	0

5.17.5. Budgetary Basis of Accounting

The County does not prepare its budgets on a basis consistent with generally accepted accounting principles. All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

5.17.6. Federal and State Awards

See the FY2016 Single Audit Report for a listing of all Federal and State Awards.

5.17.7. Pension Plans

Collin County participates in the Texas County and District Retirement System.

5.17.8. Component Unit

Collin County is defined, for financial reporting purposes, in conformity with the Governmental Accounting Standards Board's *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, there is one component unit included in the Collin County financial statements.

5.17.9. Computer Systems

Hardware and Software

The County currently uses an IBM I-Series environment with DB2 database to host and support its current HTE Financial System. Transaction source systems reside in an IBM Blade Center environment utilizing multiple virtual (VMware) or a dedicated hardware server. Regardless of the hardware, these environments run on a version of the Microsoft Windows Server operating system and rely upon Microsoft SQL Server databases.

5.17.10. Internal Audit Function

The County Auditor has internal auditors on staff which continuously monitors transactions and internal controls. The internal audit staff reports directly to the County Auditor. Internal audit reports are submitted directly to the Commissioners' Court as an agenda item for acceptance into the record.

5.17.11. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters the information is located the web link: http://www.collincountytx.gov/county_auditor/Pages/cafr.aspx for any questions email gosinaike@co.collin.tx.us.

Collin County 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.

5.18. **TIME REQUIREMENTS**

5.18.1. Date Audit May Commence

The County will have all year-end records ready for the audit and audit schedules prepared by January 10, 2017. Preliminary fieldwork can be performed up to six weeks prior to this date. All dates are subject to changes.

5.18.2. Schedule for the 2016 fiscal year audit

The consultant shall complete each of the following no later than the dates indicated. (Note: The County will present a supplemental schedule for each subsequent year.)

5.18.2.1. Interim Work:

The consultant shall complete all interim work by December 31, 2016.

5.18.2.2. Detailed Audit Plan:

The consultant shall provide Collin County by November 15, 2016, both a detailed audit plan and a list of all schedules to be prepared by Collin County.

5.18.2.3. Fieldwork:

The consultant shall complete all fieldwork by March 1, 2017.

5.18.2.4. Draft Reports:

The consultant shall have drafts of the recommendations to management available for review by the County Auditor and the County Administrator by March 10, 2017.

5.19. **ENTRANCE CONFERENCES, PROGRESS REPORTING AND EXIT CONFERENCES:** At a minimum, the following conferences should be held by the dates indicated on the schedule. (Note: The County will present a supplemental schedule for each subsequent year.)

5.19.1. Week of 11-15-16: Entrance conference with all key County Auditor office department personnel

5.19.1.1. The purpose of this meeting will be to discuss prior audit problems and the interim work to be performed.

- 5.19.1.2. 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 consultant.
- 5.19.2. Week of 12-15-16: Progress conference with the County Auditor and key office personnel
 - 5.19.2.1. The purpose of this meeting will be to discuss the year-end work to be performed.
- 5.19.3. Week of 01-01-17: Progress conference with the County Auditor and key office personnel. Subsequent meetings will be weekly with the senior on site and the manager or partner as needed.
 - 5.19.3.1. The purpose of this meeting will be to discuss the status and progress of the year-end work performed.
- 5.19.4. Week of 03-15-17: Exit conference with the County Auditor and key office personnel
 - 5.19.4.1. The purpose of this meeting will be to summarize the results of the fieldwork and to review significant findings.
- 5.20. **DATE FINAL REPORT IS DUE:**
 - 5.20.1. The County Auditor Department shall prepare draft financial statements, MD&A, notes and all required supplementary schedules (and statistical data) by March 1, 2017. The consultant shall provide all recommendations, revisions and suggestions for improvement to the County Auditor Department by March 1, 2017.
 - 5.20.2. The County Auditor Department will complete their review of the draft report as expeditiously as possible. It is not expected that this process should exceed one week. During that period, the consultant should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the County will take the final signed report to a printer to be reproduced. It is anticipated that this process will be completed and the final report delivered by March 27, 2017.
- 5.21. **ASSISTANCE TO BE PROVIDED TO THE CONSULTANT AND REPORT PREPARATION**
 - 5.21.1. County Auditor Assistance
 - 5.21.1.1. The County Auditor staff will be available during the audit to assist the selected firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the County.

5.21.2. Internal Audit Staff Assistance

5.21.2.1. The internal audit staff of the County Auditor Department will be available to assist the consultant in performing audit tests as directed by the Consultant.

5.21.3. Information Technology Assistance

5.21.3.1. County IT personnel will be available to provide systems documentation and explanations. The Consultant will be provided computer time and the use of County computer hardware and software.

5.21.4. Statements and Schedules Prepared by County Auditor Staff

5.21.4.1. The County Auditor staff has previously prepared the majority of the Auditor's statements and schedules. It is anticipated this will continue, depending on the complexity of such work requested.

5.21.5. Work Area, Telephones, Photocopying and FAX Machines

5.21.5.1. The County will provide the consultant with reasonable workspace, desks and chairs.

5.21.5.2. The consultant will also be provided with access to telephones, photocopying facilities and FAX machines.

5.21.6. Report Preparation

5.21.6.1. Report preparation, initial editing and printing shall be the responsibility of the County. Final report editing, in the form of a "camera-ready" copy appropriate for delivery to the printer, is the responsibility of the Consultant. The County requires a final copy in pdf format for publishing the report to the County web-site.

5.22 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 cost proposal. Interim billings shall cover a period of not less than a calendar month.

6.0 PROPOSAL FORMAT

In accordance with the directions below, offeror shall provide a response for each item in Sections 5.11-5.21 and Sections 6.0 in order and include item numbers in response. Answer all questions fully, clearly, and concisely, giving complete information. Do not skip items. Do not refer to other parts of your proposal for the answers. You may not modify either the order or language of the question. Responses shall include a statement of “agree”, “confirmed”, “will provide”, “not applicable”, or “exception taken” along with any additional information. If an item is “not applicable” or “exception taken”, offeror shall state that and refer to Section 7.0 Exceptions, with explanation.

Offeror shall adhere to the instructions in this request for proposals on preparing and submitting the proposal. If offeror does not follow instructions regarding proposal format, points will be deducted during the evaluation process.

6.1 **PROPOSAL DOCUMENTS:** To achieve a uniform review process and to obtain a maximum degree of comparability, the proposal shall, at a minimum include a Table of Contents detailing sections and corresponding page numbers.

6.1.1 Proposals may be submitted online via <http://collincountytx.ionwave.net> or submitted via CD-ROM or Flash Drive. Electronic submissions are preferred.

6.1.2 If submitting manually, proposal shall be submitted in a sealed envelope or box with RFP name, number, and name of firm printed on the outside of the envelope or box. Manual submittals shall be sent/delivered to the following address and shall be received prior to the date/time for opening:

Collin County Purchasing
2300 Bloomdale, Suite 3160
McKinney, TX 75071

Paper copies shall be printed on letter size (8 ½ x 11) paper and assembled using spiral type bindings, staples, or binder clips. Do not use metal-ring hard cover binders. Manual submittals shall include an electronic copy in a searchable format.

It shall be the responsibility of the offeror to insure that their proposal reaches Collin County Purchasing prior to the date/time for the opening no matter which submission method is used.

Proposal shall include but not be limited to information on each of the following:

6.1.1 Detailed Proposal: The detailed proposal should follow the order set forth in Section 6.1- 6.6 of this request for proposals.

6.1.2 Attachment A: Executed copies of Proposer Guarantees and Attachment B: Executed copies Proposer Warranties, attached to this request for proposals.

6.1.3 Cost Proposal: should follow the order set forth in Section 6.7.

6.2 FIRM OVERVIEW

Offeror shall define the overall structure of the Firm in a signed letter of transmittal to include the following:

- 6.2.1 A descriptive background of your company's history.
- 6.2.2 State your principal business location and any other service locations.
- 6.2.3 What is your primary line of business?
- 6.2.4 How long have you been selling product(s) and/or providing services(s)?
- 6.2.5 Understanding of work to be done
- 6.2.6 Commitment to perform work within the time period
- 6.2.7 Statement as to why the firm believes it self to be the best qualified to perform the engagement

6.3 MANDATORY ELEMENTS

- 6.3.1 Conformance with RFP guidelines and submittal requirements.
- 6.3.2 The audit firm is independent and licensed to practice in Texas.
- 6.3.3 The audit firm's professional personnel have received adequate continuing professional education within the preceding two years.
- 6.3.4 The firm has no conflict of interest with regard to any other work performed by the firm for Collin County.
- 6.3.5 The firm submits a copy of its most recent external quality control review report.
- 6.3.6 The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

6.4 TECHNICAL PROPOSAL

6.4.1 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 Collin County in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications 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 proposal requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

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

cost proposal). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects in section 5.0, 6.0 and 7.0 must be included. They represent the criteria against which the proposal will be evaluated.

6.4.2 Independence

The firm should provide an affirmative statement that it is independent of Collin County as defined by [generally accepted auditing standards/the U.S. General Accounting Office's *Government Auditing Standards* (1994)].

The firm should also list and describe the firm's professional relationships involving Collin County or any of its agencies or primary government for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the County written notice of any professional relationships entered into during the period of this agreement.

6.4.3 License to Practice in Texas

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

6.4.4 Firm Qualifications and Experience

The proposal should state the size of the firm, size and structure of the firm to include but not limited to capability to meet the services required and any additional skills and services. 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.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal audit firm should be noted, if applicable.

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 (3) 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 (3) years with state regulatory bodies or professional organizations.

6.4.5 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 would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Texas. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) 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, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

The proposer should identify the extent to which staff to be assigned to the audit reflect the County's commitment to Equal Opportunity.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of Collin County. However, in either case, the County retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the County, which 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.

6.4.6 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 proposal. Collin County should not be used as a reference.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name, email and telephone number of the principal client contact.

6.5 Specific Audit Approach

- 6.5.1 The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section 5.0 of this request for proposals. In developing the work plan, reference should be made to such sources of information as the Collin County budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.
- 6.5.2 Responsiveness of the proposal in clearly stating an understanding of the work to be performed to include, but not limited to:
 - 6.5.2.1 Audit coverage
 - 6.5.2.2 Realistic time estimates of each major segment of the work plan and the estimated number of hours for each staff level, including consultants assigned.
- 6.5.3 Proposers will be required to provide the following information on their audit approach:
 - 6.5.3.1 Proposed segmentation of the engagement.
 - 6.5.3.2 Level of staff and number of hours to be assigned to each proposed segment of the engagement. **NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.**
 - 6.5.3.3 Sample sizes and the extent to which statistical sampling is to be used in the engagement.
 - 6.5.3.4 Extent of use of software in the engagement.
 - 6.5.3.5 Type and extent of analytical procedures to be used in the engagement.
 - 6.5.3.6 Approach to be taken to gain and document an understanding of Collin County's internal control structure.
 - 6.5.3.7 Approach to be taken in determining laws and regulations that will be subject to audit test work.
 - 6.5.3.8 Approach to be taken in drawing audit samples for purposes of tests of compliance.

6.6 COST PROPOSAL

6.6.1 Total All-Inclusive Maximum Price

- 6.6.1.1 The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price is to contain all direct and indirect costs including all out-of-pocket expenses.
- 6.6.1.2 Collin County will not be responsible for expenses incurred in preparing and submitting the technical proposal or the cost proposal. Such costs should not be included in the proposal.

6.6.1.2.1 A Total All-Inclusive Maximum Price for the 2016, 2017 and 2018 engagement.

6.6.2 Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

6.6.2.1 The second page of the cost proposal should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Attachment C, Part 1), that supports the total all-inclusive maximum price. The cost of special services described in Section 6.7 of this request for proposals should be disclosed as separate components of the total all-inclusive maximum price using the format provided in Attachment C, Part 2.

6.6.3 Out-of-Pocket Expenses Included in the Total All-Inclusive Maximum Price

6.6.3.1 All estimated out-of-pocket expenses to be reimbursed should be presented in cost proposal in the format provided in the attachment (Attachment C). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

6.6.4 Rates for Additional Professional Services

6.6.4.1 If it should become necessary for Collin County to request the consultant to render any additional services to either supplement the services requested in this request for proposal 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 Collin County and the firm.

6.6.4.2 Any such additional work agreed to between Collin County and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost proposal.

7.0 EXCEPTIONS

Instructions for completing section:

The exception table should be completed for any exception from requirements identified in this RFP. Please complete the following worksheet listing any and all exceptions from the information requested in the Request for Proposal. Attach additional pages as needed. If no exceptions are listed in Section 7.0 it is understood that the offeror has agreed to all RFP requirements, the response will be considered as confirmed even if it is listed elsewhere as an exception.

Section Number/ Question Number	Required Service You are Unable to Perform	Steps Taken to Meet Requirement

ATTACHMENT A

PROPOSER GUARANTEES

- I. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section 5.0, Nature of Services Required.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

ATTACHMENT B

PROPOSER 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 express prior permission of the County.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.
- E. Proposer warrants that it understands it is required to adhere to the Contract requirements set forth in this RFP and all of the requirements of the RFP which will be an attachment to the contract.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

ATTACHMENT C

Part 1

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE
2016 , 2017, and 2018 FINANCIAL STATEMENTS**

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Subtotal				
Total for services described in Section 5.0 of the Request for Proposal for each of the three audits (detail on Attachment C Part Two)				
	2016 Audit	2017 Audit	2018 Audit	
Main Audit				
(TJPC) Audit				
(CSCD-Adult Probation)				
Out of pocket expenses:				
Meals and Lodging				
Transportation				
Other (specify):				
	2016 Audit	2017 Audit	2018 Audit	Total Audit for 2016, 2017, 2018
Total all-inclusive maximum price for all three audits for each year				\$

Note: The rate quoted should *not* be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

Appendix C

Part 2

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE 2016 , 2017, and 2018 FINANCIAL STATEMENTS: COMBINING SCHEDULE - ALL SERVICES DESCRIBED IN THE REQUEST FOR PROPOSALS SECTION 5.0

Nature of Service to be Provided for the Main Audit	Schedule 2016	Total Price	Schedule 2017	Total Price	Schedule 2018	Total Price
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		\$		\$		\$

Nature of Service to be Provided for the (TJPC) Audit	Schedule	Total Price	Schedule	Total Price	Schedule	Total Price
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Nature of Service to be Provided for the (CSCD- Adult Probation) Audit	Schedule	Total Price	Schedule	Total Price	Schedule	Total Price
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Total		\$		\$		\$

INFORMATION REGARDING CONFLICT OF INTEREST QUESTIONNAIRE

During the 79th Legislative Session, House Bill 914 was signed into law effective September 1, 2015, which added Chapter 176 to the Texas Local Government Code. Recent changes have been made to Chapter 176 pursuant to HB23, which passed the 84th Legislative Session. Chapter 176 mandates the public disclosure of certain information concerning persons doing business or seeking to do business with Collin County, including family, business, and financial relationships such persons may have with Collin County officers or employees involved in the planning, recommending, selecting and contracting of a vendor for this procurement.

For a copy of Form CIQ and CIS:

http://www.ethics.state.tx.us/filinginfo/conflict_forms.htm

The vendor acknowledges by doing business or seeking to do business with Collin County that he/she has been notified of the requirements under Chapter 176 of the Texas Local Government Code and that he/she is solely responsible for complying with the terms and conditions therein. Furthermore, any individual or business entity seeking to do business with Collin County who does not comply with this practice may risk award consideration of any County contract.

For a listing of current Collin County Officers:

<http://www.collincountytexas.gov/government/Pages/officials.aspx>

The following County employees will be involved in the planning, recommending, selecting, and contracting for the attached procurement:

Department:
Jeff May - Auditor
Linda Riggs

Purchasing:
Michalyn Rains – CPPO, CPPB Purchasing Agent
Sara Hoglund, CPPB – Asst. Purchasing Agent
Geri Osinaike – Senior Buyer

Commissioners' Court:
Keith Self – County Judge
Susan Fletcher – Commissioner Precinct No. 1
Cheryl Williams – Commissioner Precinct No. 2
Chris Hill – Commissioner Precinct No. 3
Duncan Webb – Commissioner Precinct No. 4

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

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;
- or
- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

- (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
- (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

- (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
- (B) that the vendor has given one or more gifts described by Subsection (a); or
- (C) of a family relationship with a local government officer.

