



THE COUNTY OF GALVESTON

VERONICA VAN HORN
INTERIM PURCHASING AGENT

COUNTY COURTHOUSE
722 Moody (21st Street)
Fifth (5th) Floor, Purchasing
GALVESTON, TEXAS 77550
(409) 770-5371

ERIN S. QUIROGA, MBA, CPPB
ASST. PURCHASING AGENT

September 2, 2025

Honorable County Judge
Honorable County Commissioners' Court
Galveston County Courthouse
Galveston, Texas 77550

Re: RFQ #B212037, Auditing and Related Services Contract #CM20402

Gentlemen,

The contract associated with RFQ #B212037, Auditing and Related Services, is scheduled for its fourth extension on October 25, 2025. The contracted vendor for this service is Patillo, Brown & Hill, LLP

No amendments to the contract have been requested.

It is requested that the extension be authorized.

Your consideration in this matter will be greatly appreciated.

Respectfully submitted,

A handwritten signature in cursive script that reads "Veronica Van Horn".

Veronica Van Horn
Interim Purchasing Agent

Dickey, Tammy

From: Fleming, Melissa
Sent: Wednesday, August 20, 2025 4:08 PM
To: Dickey, Tammy
Subject: RE: B212037 - Auditing & Related Services
Attachments: GalCo.pdf

Hi Tammy,

This is for B212037 - Auditing & Related Services.

Christie and Sergio, we

Sincerely,

Melissa Fleming
Contract Administrator
Galveston County Purchasing Department
Galveston County Courthouse
722 21st. Street, 5th Floor
Galveston, Texas 77550
Office: (409) 770-5375
Fax: (409) 765-3106
e-mail: melissa.fleming@galvestoncountytx.gov



Principles and Practices of Public Procurement
Accountability, Ethics, Impartiality, Professionalism, Service, Transparency

From: Motogbe, Christie J <ChristieJ.Motogbe@galvestoncountytx.gov>
Sent: Wednesday, July 2, 2025 11:36 AM
To: Fleming, Melissa <Melissa.Fleming@galvestoncountytx.gov>; Cruz, Sergio <Sergio.Cruz@galvestoncountytx.gov>
Subject: RE: B212037 - Auditing & Related Services

Good morning, Melissa,

Hope you're well. We would like to remain with Patillo Brown & Hill, LLP. However, the contract on file shows that it ends on 10/24/26.

Sincerely,

Christie Motogbe CPA
Acting First Assistant County Auditor
Galveston County Auditor's Office
722 Moody Ave, 4th Floor, Galveston, TX 77550
P: (409)770-5337



THE COUNTY OF GALVESTON

RUFUS G. CROWDER, CPPO CPPB

PURCHASING AGENT

COUNTY COURTHOUSE

722 Moody (21st Street)

Fifth (5th) Floor

GALVESTON, TEXAS 77550

Wednesday, August 20, 2025

Patillo Brown & Hill, LLP
P.O. Box 20725
WACO, TX 76702-0725

RE: SOLICITATION NAME: Auditing and Related Services
Contract # CM20402 / Bid # B212037

Good day,

The resultant contract listed below is eligible for the fourth extension period and requires a response from your company to initiate the next contractual period.

- Contract Number: CM20402
- Bid Number: B212037
- Solicitation Name: Auditing and Related Services
- 4th Extension Period: 10/25/2025 – 10/24/2026

This signed letter is required by the County to be completed and returned to the Galveston County Purchasing Agent prior to any contract extension request to be placed on the Commissioners' Court agenda for consideration. This contract extension is subject to these requirements.

Please contact the Purchasing Department with any questions regarding this matter including the proposed date that this item may be placed on the Commissioners' Court agenda. Your attendance is not required.

Sincerely,
Melissa Fleming
Contract Administrator
Galveston County


ACCEPTED BY (signature)

DATE 8/20/25


TITLE

**SPECIAL PROVISIONS
AUDITING AND RELATED SERVICES
GALVESTON COUNTY, TEXAS**

The Special Provisions and the General Provisions of this Request for Qualifications and the Exhibits attached hereto are made a part of this agreement between the Parties. In the event of a conflict between the General Provisions and the Special Provisions, the terms of the Special Provisions shall control.

A. GENERAL INFORMATION:

The COUNTY OF GALVESTON, TEXAS is requesting proposals from qualified certified public accountant firms to audit financial statements for the fiscal year ending September 30, 2021, with the option of auditing financial statements for each of the four subsequent fiscal years. These audits are performed in accordance with (1) generally accepted auditing standards, (2) the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Government Auditing Standards (2011), (3) the provisions of the Federal Single Audit Act and Amendments of 1996, (4) U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations, State of Texas Single Audit Circular*, as well as the requirements of (5) *Texas Government Code, Title 10, § 2256.023 (d)*; and (6) the independent audit guidelines issued by Texas Juvenile Justice Department and Texas Department of Criminal Justice – Community Justice Assistance Divisions (TDCJ-CJAD), and any other standards or requirements established during the term of the contract by any organization that relates to the funds being audited under the contract.

These audits are requested pursuant to Texas Local Government Code Section 115.045 and other applicable State and Federal Laws.

The aforementioned standards require the accounting firm plan and perform the audit to obtain reasonable assurance about whether the respective financial statements are free of material misstatement.

The audit of Galveston County includes the audit of Galveston County and the related, OMB-mandated “Single Audit.” One highly qualified audit firm will be selected for the audit of Galveston County.

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

B. DEFINITIONS (As mentioned in FAR Subpart 52.2—Text of Provisions and Clauses)

52.202-1 Definitions.

Definitions (Nov 2013)

When a solicitation provision or contract clause uses a word or term that is defined in the Federal Acquisition Regulation (FAR), the word or term has the same meaning as the definition in FAR 2.101 in effect at the time the solicitation was issued, unless—

- (a) The solicitation, or amended solicitation, provides a different definition;
- (b) The contracting parties agree to a different definition;
- (c) The part, subpart, or section of the FAR where the provision or clause is prescribed provides a different meaning; or
- (d) The word or term is defined in FAR Part 31, for use in the cost principles and procedures

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C. QUALIFICATION SURETY:

A 5% bid bond is not a requirement of this solicitation request.

D. PERFORMANCE AND PAYMENT BONDS:

Performance and Payment Bonds are not requirements of this solicitation.

E. BEST AND FINAL OFFERS (BAFO):

The Best and Final Offer process is applicable to this solicitation.

F. QUALIFICATION TIMELINE:

A timeline for this RFQ and initial process is included below. Galveston County reserves the right to change these dates and will notify qualifiers of any changes:

Advertise RFQ (first date of publication)	Thursday, September 9, 2021
Advertise RFQ (second date of publication)	Thursday, September 16, 2021
Deadline for Questions & Inquiries	Tuesday, September 21, 2021, by 5:00 p.m.
Qualifications due from public/RFQ Opening	Monday, October 4, 2021, at 2:00 p.m.

The current auditor has completed the preliminary work and will share the appropriate records ready for the preliminary work. Normally, the preliminary work is prepared and completed in August of each year. Dates of the audit commencement, progress reports, draft annual reports, and presentation to the Commissioners Court will be determined with the successor auditor.

G. SUBMISSION INSTRUCTIONS:

One (1) unbound original and five (5) copies must be submitted no later than **2:00 P.M. CST, on Monday, October 4, 2021:**

**Rufus G. Crowder, CPPO CPPB
Purchasing Agent
County of Galveston
722 Moody Avenue (21st Street), Fifth (5th) Floor
Galveston, TX 77550**

The time stamp clock located in the Purchasing Agent's office shall serve as the official time keeping piece for this solicitation process. Any qualifications received after **2:00 P.M. CST** on the specified date will be returned unopened.

Qualification Specifications can be obtained at the office of the Galveston County Purchasing Agent, located in the Galveston County Courthouse, 722 Moody, (21st Street), Floor 5, Purchasing, Galveston, Texas 77550, or by visiting the Galveston County website @ <http://www1.galvestoncountytexas.gov/pu/Pages/OpenSolicitation.aspx>

H. PERSONNEL TO CONTACT:

Oral explanations or instructions will not be binding. Any information given to a Qualifier, which in the opinion of the County affects all responders or would be prejudicial to other Qualifiers not communicated, shall be furnished to all Qualifiers as an addendum to the solicitation. Qualifiers **must** direct all inquiries to the following:

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**Rufus G. Crowder, CPPO CPPB
Purchasing Agent
722 21st Street (Moody)
Galveston, Texas 77550
e-mail: purchasing.bids@co.galveston.tx.us**

Qualifiers must e-mail their requests (with the subject line “**Auditing and Related Services– RFQ # B212037– Questions**”) for additional information and/or clarification to the address listed above. The request must include the Proposer’s name and the RFQ number and title. ***Any request for additional information or clarification must be received in writing no later than ten (10) calendar days prior to the Proposal due date.*** Late requests or those not delivered to the proper address may not receive a reply. Proposers shall not attempt to contact the County by any other means. The Purchasing Agent’s Office shall post the answers to the County website from the procurement web page and via addendum.

The County will issue responses to inquiries and any other corrections or amendments, it deems necessary, in the form of a written addendum, issued prior to the Proposal Submission Date. The County, at its sole discretion, may not issue a response to a RFI submittal. Proposers should not rely on any oral or written representations, statements, or explanations, other than those made in this RFQ or in any written addendum to this RFQ. Where there appears to be conflict between the RFQ and any issued addenda, the last addendum issued will prevail. Addenda will be posted and made available on the County’s procurement web page. It is the Proposer’s sole responsibility to ensure receipt of all addenda prior to submitting its Proposal. All Proposers should check the County’s procurement web page for all addenda prior to submitting a response. The County’s procurement web page is located at www1.galvestoncountytexas.gov/pu/Pages/default.aspx, and current solicitations are at www1.galvestoncountytexas.gov/pu/Pages/OpenSolicitations.aspx.

The Proposer must acknowledge the receipt of all addenda on the forms provided. In the event a Proposer fails to acknowledge receipt of such addenda, the County may, at its sole discretion, determine that such failure to acknowledge any or all addenda does not materially affect the Proposal and waive the acknowledgement of one or more addenda.

Proposers who submit inquiries *after* the deadline date for receipt of questions indicated on the Procurement Timeline, risk that its response in the procurement will not be responsive or competitive because the County is not able to respond before the Proposal receipt date or in sufficient time for the Proposer to prepare a responsive or competitive submittal.

All questions and responses as posted on the County website pertaining to this RFQ are considered an addendum to, and part of, this RFQ. Each Proposer shall be responsible to monitor the County website for new or revised RFQ information. The County shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFQ or formally issued as an addendum by the Purchasing Agent’s Office.

I. PROGRAM ADMINISTRATION & CONTRACT MANAGEMENT:

The Program Administrator/Contract Manager that will manage the work to be performed under the resultant contract for the purpose of this RFQ is:

**Randall Rice CPA
County Auditor
722 Moody, 4th Floor
Galveston, TX 77550**

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J. TYPE OF CONTRACT:

It is the intent of this solicitation to enter into a contract that meets federal guidelines. It is imperative that all responders seeking a contract under this RFQ solicitation effort must familiarize and adhere to the procurement standards as referenced in 2 C.F.R. Part 200, Sections 200.317-200.326, and Appendix II, 2 C.F.R. Part 200. Sections 200.317–200.326 and Appendix II are attached hereto as **ATTACHMENT A** and **REQUIRED CONTRACT PROVISIONS** are attached hereto as **ATTACHMENT B**.

The resultant contract consists of the following documents: Request for Qualification, General Provisions, Special Provisions, General Terms and Conditions (including specifications, drawings, and addenda), Responder's response, Qualification Sheets, contract award, and any other documents referenced herein or attached hereto for the work. Collectively these documents may also be referred to as the Plans and Specifications.

To satisfy cost reasonableness responsibilities, the County of Galveston reserves the right to obtain additional quotes and current pricing information from the successful contractor and other contractors to perform the work as stated per the specification listed herein and in the resultant contract. The solicited results may be used by the County to determine if the contract extensions or amendments will be considered, or other service options be utilized.

K. COLLATERAL CONTRACT:

The County reserves the right to provide by separate contract or otherwise, in such manner as not to delay its programs or damage said Contractor, all labor and material essential to the completion of the work that is not included in this contract.

Award prices include all royalties and costs arising from patents, trademarks, and copyrights in any way involved in the work. Whenever the Awardee is required or desires to use any design, device, material or process covered by letters of patent or copyright, the Awardee shall indemnify and save harmless the County, its officers, agents and employees from any and all claims for infringement by reason of the use of any such patented design, tool, material, equipment, or process, to be performed under the contract, and shall indemnify the County its officers, agents, and employees for any costs, expenses and damages which may be incurred by reason of any infringement at any time during the prosecution or after the completion of the work.

L. TERMS OF ENGAGEMENT:

A one (1) year contract with four (4) additional one-year options is contemplated, subject to the annual review and recommendation of the Commissioners Court, the satisfactory negotiation of terms (including a price acceptable to both the County and the selected firm) and the annual availability of an appropriation.

M. INSURANCE:

Bidder must submit, with its response, a current certificate of insurance evidencing coverage in the amounts specified below or greater. In lieu of submitting a certificate of insurance, Respondents may submit a notarized statement from an insurance company authorized to conduct business in the State of Texas guaranteeing that Respondent has such insurance. Provided however, that successful Respondent(s) shall be required to provide a current certificate of insurance to the Galveston County Purchasing Agent's Office before Respondent commences any work hereunder. **Insurance shall be placed with insurers having an**

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A.M. Best's rating of no less than A. Such insurance must be issued by a casualty company authorized to do business in the State of Texas, and in standard form approved by the Board of Insurance Commissioners of the State of Texas, with coverage provisions ensuring the public from loss or damage that may arise to any person or property by reason of services rendered by Contractor.

Galveston County shall be listed as an additional insured on each policy and all certificates of insurance and Contractor shall provide Galveston County with no less than thirty (30) calendar days prior notice of any changes to the policy during the contractual period.

Certificates of Insurance, fully executed by a licensed representative of the insurance company written or countersigned by an authorized Texas state agency, shall be filed with the County Purchasing Agent within ten (10) calendar days of the execution of this Agreement as written proof of such insurance and further provided that Contractor shall not commence work under this Agreement until Contractor has obtained all insurance required herein, provided written proof as required herein, and received written notice to proceed issued from the County Purchasing Agent. **Failure to provide such evidence of insurance within the ten (10) calendar day period shall constitute an event of default.**

Workers' Compensation Insurance. Respondent shall carry in full force Workers' Compensation Insurance Policy(ies), if there is more than one employee, for all its employees, including but not limited to full time, part time, and emergency employees employed by the Contractor.

Commercial General Liability. Respondent shall carry in full force commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the aggregate. The Policy shall, minimally, cover liability for bodily injury, personal injury, and property damage.

Business Automobile Liability. Respondent shall carry in full force business automobile liability coverage with a combined bodily injury/property damage limit of not less than \$1,000,000 each accident. The policy shall cover liability arising from the operation of licensed vehicles by policyholder.
Professional Liability. Respondent shall carry in full force professional liability insurance with limits of not less than \$1,000,000.00.

N. NATURE OF SERVICES REQUIRED:

The County of Galveston is soliciting the services of qualified firms of certified public accountants to audit the financial statements of the County of Galveston, Galveston County Community Supervision Correction Department and Galveston County Juvenile Probation Board for the fiscal year ending September 30, 2020, with the option to audit the financial statements for each of the four subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

O. SCOPE OF WORK:

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

The County also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor 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

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the combining and individual fund financial statements and schedules. The auditor is not required to audit the statistical section of the report.

The auditor shall be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor is not required to audit the schedule of federal financial assistance. However, the auditor is to provide an "in-relation to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

Proposer shall comply with current Governmental Accounting Standards Board (GASB) regulations and all future regulations as directed by the GASB during the term of the contract, and all future extensions.

The County's Comprehensive Annual Financial Report (Annual Report) should be referred to for a complete understanding of the size and scope of these audits. The most recent Annual Report is available at the County Auditor's website at www.galvestoncountytexas.gov. Please refer to Notes to the Financial Statements in the Annual Report for a complete description of the organizations and funds included in the audits.

The firm may be asked to provide assistance to the Auditor's office in complying with recently issued Governmental Accounting Standards Board pronouncements and other statements.

P. AUDITING STANDARDS:

To meet the requirements of this request for proposals, 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 (2011), the provisions of the Single Audit Act and Amendments of 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* and the *State of Texas Single Audit Circular*, as well as *Government Code, Title 10, §2256.023(d)*, the independent audit guidelines issued by Texas Juvenile Justice Department and Texas Department of Criminal Justice – Community Justice Assistance Divisions (TDCJ-CJAD), and any other standards or requirements established during the term of the contract by any of these organizations that relate to the funds being audited under the contract. These audits are requested pursuant to Texas Local Government Code Section 115.045 and other applicable State and Federal Laws. (See attached Texas Juvenile Justice Department (TJJD) and Texas Department of Criminal Justice-Community Justice Assistance Division (TDCJ-CJAD) and the Texas Department of Criminal Justice Financial Management Manual for CJAD Funding and TJJD grant agreements).

Q. REPORTS TO BE ISSUED:

Following the completion of the audit of the fiscal year's financial statements the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.

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2. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
3. A report on compliance with applicable laws and regulations.
4. An "in-relation-to" report on the schedule of federal financial assistance.
5. A report on the internal control structure used in administering federal financial assistance programs.
6. A report on compliance with laws and regulations related to major and non-major federal financial assistance programs. This report should include an opinion on compliance with specific requirements applicable to major federal financial assistance programs, a report on compliance with general requirements applicable to major federal financial assistance programs, and a report on compliance with laws and regulations applicable to non-major federal financial assistance program transactions tested.
7. A report in accordance with the provisions of the *Texas Government Code, Title 10, §2256.023(d)*.

In the required report on internal controls, the auditor shall communicate 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 auditors shall be reported in a separate letter to management, which shall be referred to in the report on internal controls.

The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance.

R. IRREGULARITIES AND ILLEGAL ACTS:

Auditor 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 County Commissioners Court.

Auditor shall assure themselves that the County is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

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S. SPECIAL CONSIDERATIONS:

1. The County will submit 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 auditor will not be required to provide special assistance to the County to meet the requirements of that program.
2. The County has not applied for an indirect cost rate and therefore does not have a cognizant agency, as established by and in accordance with the provisions of the Single Audit Act and Amendments of 1996 and U.S. OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.
3. The schedule of federal and state financial assistance and related auditor's report, 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.
4. The County has implemented the applicable reporting requirements of all GASB Statements through GASB No. 97, if the effective date applies.

T. WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS:

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the County of the need to extend the retention period.

The auditor will be required to make working papers available, upon request, to the following parties or their designees:

County of Galveston
U.S. Department of Justice
U.S. General Accounting Office
Parties designated by the Federal or State Governments or by the County as part of an audit quality review process
Auditors of entities of which the County is a sub-recipient of grant funds

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

U. DESCRIPTION OF THE GOVERNMENT:

As of the 2021 Census Report, Galveston County had a population of 350,701 making it the 17th most populous county in Texas. The County provides a vast array of services which include public safety, administration of justice, health and human services, culture and recreational services, public improvements, and general administration.

SPECIAL PROVISIONS AUDITING AND RELATED SERVICES GALVESTON COUNTY

Firms interested in performing the audits should provide information about their firm, audit practice, personnel who will conduct the audit and examples of relevant experience with audits of a similar size and scope to Galveston County. A fee schedule must be provided as an appendix to the Questionnaire.

V. BACKGROUND INFORMATION:

Galveston County serves an area of about 430 square miles with a population of 350,701 (2021). 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.

The Galveston County 2021 General Fund (not including the GASB 54 General Related Funds) Budget is \$145,443,405 plus \$9,103,844 in transfers out; this includes a General Fund payroll and benefits of approximately \$91,918,281 covering 1,070.6 General Fund employees. Some other information about the County for FY 2021 includes:

Purchase orders issued	7,630 annually
Accounts payable checks printed	9,648 annually
Payroll checks	1,416 annually
Direct deposit payroll checks	33,095 annually
Deposit Warrants	14,012 annually
Purchasing card transactions	6,277 annually
Purchasing cards	233 cards
Purchasing cards for Emergency Management	5 cards
Purchasing card dollar volume	\$1,741,552
Property taxes - Levied	\$ 141,656,090
Property taxes - Collected	\$155,762,514
Capital assets – per Annual Report	\$ 503,870,267
Long-term debt – per Annual Report	\$ 229,269,447
Net OPEB Obligation – per Annual Report	\$ 262,756,131

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 2020 Comprehensive Annual Financial Report and the 2021 Annual Budget document. These documents are available from the County Auditor or Budget Office website, as well as the Financial Transparency webpage.

W. FUND STRUCTURE:

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

Fund Type	No. of Individual Funds	No. with Legally Adopted Budgets
General Fund (1+12 GASB54 funds)	13	1
Special Revenue Funds	37	28
Grant Funds	57	

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Debt Service Funds	12	1
Capital Projects Fund	19	19
Internal Service Funds	4	0
Fiduciary Funds	16	0

X. BUDGTARY BASIS OF ACCOUNTING:

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

Y. FEDERAL AND STATE FINANCIAL ASSISTANCE:

A listing of federal and state financial assistance received by the County during fiscal year 2020 is attached. In addition, the county is the recipient of stimulus funds from the American Recovery Plan totaling \$66.2M; half was received in May 2021 and the balance will be received in May 2022.

Z. COMPONENT UNITS:

The County reports no component units in its financial reports.

AA. MAGNITUDE OF FINANCIAL OPEATIONS:

The County operates under Subchapter C of Chapter 111 of the Texas Local Government Code, with an appointed Budget Officer.

The County Auditor's office is headed by Mr. Randall Rice CPA, County Auditor, and consists of 26 full-time employees including the County Auditor. The principal functions performed, and the number of employees assigned to each are as follows:

<u>Function</u>	<u>Number of Employees</u>
Administration	3
General Accounting	6
Grant Accounting/Financial Reporting	6
Internal and IT Auditing	6
Accounts Payable	5

BB. COMPUTER SYSTEMS:

ERP Software One Solution by Central Square
 Time Clock Plus

CC. INTERNAL AUDIT FUNCTION:

The County has maintained an internal audit function for at least the past 20 years. The internal audit function reports to the County Auditor and is staffed by 6 employees. All members of the internal audit staff hold at least a BBA degree, and some have or are working on professional certifications.

DD. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION:

The County Auditor's Office staff, including internal audit staff, and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the County Auditor.

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IT personnel will be available to provide systems documentation and explanations.

The staff of the County Auditor uses ProSystem to prepare draft statements, notes, letters and schedules in the preparation of the Annual Report.

The County Auditor's office will provide the auditor with reasonable workspace, desks and chairs as well as remote view access to the financial system. The auditor will also be provided with access to telephone lines, photocopying facilities, and FAX machines. In addition, the County Auditor utilizes SmartSheet to track dues dates and completion of requested documents. The auditor will have access to download any documents from SmartSheet to use in its workpapers.

The County Auditor will provide report preparation, editing and draft copies of the Annual Report. The printing of the annual report and single audit reports shall be the responsibility of the auditor. The auditor shall provide the County with one electronic and a total of ten hard copies of each of the compliance reports.

EE. SPECIAL REQUIREMENTS/INSTRUCTIONS:

Under the Request for Qualification process, sealed qualifications will be received and opened in the Office of the Galveston County Purchasing Agent located in the Galveston County Courthouse, 722 Moody Avenue (21st Street), Fifth (5th) Floor, Galveston, Texas, 77550. After an award is made and an agreement is executed, qualifications are subject to review under the "Public Information Act". To the extent permitted by law, vendors may request in writing non-disclosure of confidential data. Such information shall accompany the qualification, be readily separable from the qualification, and be CLEARLY MARKED "CONFIDENTIAL". For portions identified as confidential by the vendor, Galveston County must rely on advice, decisions, and opinions of the Attorney General of the State of Texas relative to the disclosure of data or information.

FF. QUESTIONS:

Vendors shall not contact any Galveston County personnel regarding this RFQ, evaluation or selection process from the time the RFQ is issued until the time a notification of intent to award is announced, without the express permission from the Office of the Galveston County Purchasing Agent. The Galveston County Purchasing Agent may disqualify any vendor who has made site visits, contacted personnel, or distributed any literature without authorization from this office. Galveston County may initiate discussions with vendors. Discussions may not be initiated by vendors. Galveston County expects to conduct discussions with vendor personnel authorized to contractually obligate the vendor with an offer.

Vendors are encouraged to review this entire Request for Qualification. All questions pertaining to this RFQ must be submitted in writing and directed to Rufus Crowder, CPPO, CPPB at purchasing.bids@co.galveston.tx.us (preferred method) by **Tuesday, September 21, 2021, on or before 5:00 p.m.** All questions submitted in writing prior to the deadline will be compiled and the answers forwarded in writing to all firms via addendum.

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GG. EVALUATION:

An evaluation committee comprised of Galveston County staff will review and evaluate the Statements of Qualifications and will select the most highly qualified provider of the services requested on the basis of demonstrated competence and qualifications. Selected vendors may be expected to make a presentation to, or interview with, the evaluation committee.

The following will be considered in evaluating the qualification:

- a. **50% - Firm's Background and Experience -Accounting Firm** – The size and scope of the Firm's overall audit practice. Description of national and local experience with state, county or municipal audits. Description of the most significant audit clients located in the Houston-Baytown-Sugarland, Texas Metropolitan Statistical Area as defined by the U.S. Census.
- b. **30% - Key Project Personnel** – Number of Audit Partners, Managers and Staff in offices located in the Houston-Baytown-Sugarland, Texas Metropolitan Statistical Area as defined by the U.S. Census along with description of this personnel's experience with state and local government audits. Description of the local area personnel's experience with large audit clients of a similar size and scope to Galveston County.
- c. **20% - Financial Information** – Total audit fees generated during the most recent fiscal year both at the total firm basis and earned by offices in the Houston-Baytown-Sugarland, Texas Metropolitan Statistical Area as defined by the U.S. Census.

Any submitted qualifications shall remain valid for six (6) months after the RFQ due date or until Galveston County executes a contract, whichever is sooner. Galveston County may, in the event the selected firm fails to perform and/or the contract is terminated within forty-five (45) days of its initiation, enter into discussions with the next most qualified firm(s).

HH. QUESTIONNAIRE:

To be considered, prospective firms must submit a complete response as required by the Request for Qualification. Firms must submit evidence of their ability to provide complete, thorough and comprehensive responses and information for each of the following components of this RFQ:

A. Firm's Background and Experience

1. Describe your firm's organizational structure.
2. How many years has your firm been in business under its present name?
3. Indicate all other names by which your firm has been known and length of time known by each name.
4. Indicate the number of years of experience your firm has conducting audits of large government entities similar to Galveston County.
5. Include the address of your firm's website, if applicable.
6. Describe your firm's general approach to auditing.
7. List your firm's current or recent audit clients that are state or local government entities.
8. List your firm's five largest audits of state or local governments.
9. List your firm's current or recent audit clients in Texas that are state or local government entities.
10. List your firm's five largest audit clients located in Galveston County.
11. Please provide any other background that you feel is pertinent to the auditing needs expressed by the County of Galveston.
12. List of all office locations in the Houston-Baytown-Sugarland, Texas Metropolitan Statistical Area as defined by the U.S. Census

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- B. Key Project Personnel** - Provide information regarding capabilities and experience of personnel directly assigned to this project that include the following:
1. Professional resumes for key personnel and their responsibilities for the duration of the contract.
 2. Indicate the education and professional licensing of each person as it relates to this project. Include a list of previous projects, similar in size and complexity, in which each team member has played a significant role.
- C. Financial Information** – Provide financial information to help demonstrate the size and scope of the audit practice and independence of the firm including:
1. Total audit fees firm wide.
 2. Total audit fees generated in the Texas and Houston-Baytown-Sugarland, Texas Metropolitan Statistical Area as defined by the U.S. Census
 3. Total audit fees related to local government audits firm-wide and locally.
- D. Estimated Fees/Cost**
1. The response should include an estimate of the total cost of the annual audit services (including the annual single audit). The estimated total cost will be the maximum fee paid under the contract for annual audit services. The following details should be included in the estimate of the total cost of annual audit services:

<u>Description</u>	<u>Number of Hours</u>	<u>Hourly Rate</u>	<u>Estimated Cost</u>
Partner			
Manager			
Sr. Auditor			
Staff Auditor			
Support Staff			
Itemized List of additional costs			

2. The hourly rate in the schedule above will also be the fee for special audit assignments other than the annual audit services.
3. Manner of Payment:
Progress payment 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 qualification.

Billings shall cover a period of one complete calendar month and each invoice should include the total annual estimated costs, the total billed for that year to date, and a detailed delineation of the services billed in the current month to include the following:

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<u>Description</u>	<u>Contract</u>	<u>Revised</u>	<u>Hours</u>	<u>Current</u>	<u>Hourly</u>	<u>Billed</u>
	<u>Estimated</u>	<u>Estimated</u>	<u>Billed To</u>	<u>Hours</u>		
	<u>Hours</u>	<u>Total</u>	<u>Date</u>	<u>Billed</u>	<u>Rate</u>	<u>Amount</u>
Partner						
Manager						
Sr. Auditor						
Staff Auditor						
Support Staff						
Total Labor						
Itemized List of Additional Costs:						

II. SAMPLE AGREEMENT:

All proposers are required to include a Sample Agreement with their qualification submittal. The sample agreement will be reviewed by Galveston County's legal counsel and the terms will be negotiated with the successful proposer.

JJ. EXCEPTIONS:

Any exceptions to bid conditions should be listed on a separate sheet of paper, attached to qualification submittal and submitted with qualification documents at the specified date and time of solicitation opening.

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