

NOTICE
(RFQ # 2024-018)

The City of Mercedes is requesting sealed Requests for Proposals (RFP) from qualified individuals/firms to provide **AUDITING SERVICES**. Qualified applicants are invited to submit qualifications and proposals for the provision of these services. In order to be considered, proposals must address each of the requests for information included in this document.

All addenda, notices, additional information, etc. will be posted on the City of Mercedes website at www.cityofmercedes.com.

One (1) original copy of the proposal and three (3) copies must be sealed and returned to the City of Mercedes, City Hall, no later than **10:00 a.m. CST on Friday, September 6, 2024**, to the attention of:

City Secretary
Joselynn Castillo
400 S. Ohio Ave.
Mercedes, TX 78570

All proposals must be clearly marked with “RFP #2024-018 for Auditing Services.” Proposer is responsible for delivery of response by the date and time set for the closing of the proposal acceptance. Responses received after the date and time set for the closing will not be considered.

The City of Mercedes reserves the right to reject any and all proposals and waive informalities in proposals received.

All inquiries concerning the RFP must be made in writing and addressed to the address or email address listed below, with e-mail being the preferred method.

City of Mercedes
Joselynn Castillo
City Secretary
400 S. Ohio Ave.
Mercedes, TX 78570
Phone: 956-565-3114
Email: jcastillo@cityofmercedes.com

Joselynn Castillo
City Secretary

**CITY OF MERCEDES, TEXAS
REQUEST FOR PROPOSALS (RFP)
2024-018 AUDITING SERVICES
FISCAL YEAR ENDING SEPTEMBER 30, 2024**

Background Information

The City of Mercedes is a Home Rule Municipal Government with a City Commission- City Manager form of government. Pursuant to its provisions, and subject only to the limitations imposed by the Constitution, laws and statutes of the State of Texas, and by its City Charter, all powers of the City of Mercedes shall be vested in the elected City Commission which shall enact local legislation, adopt budgets, determine policies, and appoint a City Manager, who in turn will be held responsible to the City Commission for the execution of the laws and the administration of the government of the City.

The City of Mercedes shall have power to, among others, construct and maintain, or require the construction and maintenance, within or without its corporate limits (CCN jurisdictions), streets, flood control and sanitary facilities, water, and/or storm drainage facilities in, over, under or upon all public property or easements granted for that purpose and to levy assessments for the costs of such improvements.

The City of Mercedes has a General Fund (Operating Fund), Enterprise Fund (Utility), EMS Fund and some smaller special accounts as indicated in the Audited Financial Reports ending September 30, 2023. The City's Finance Department consists of a Finance Director with (4) four full-time employees to run the daily operations of the City's budget. Mercedes' software is hosted by Tyler Tech and is currently using Incode and we would have the flexibility to provide some confidential remote access, as requested and as needed.

The City of Mercedes has issued a Request for Proposals (RFP) for auditing services for fiscal year ending September 30, 2024, with the option to continue auditing the City's financial statements for up to two additional fiscal years, ending September 30, 2025 and September 30, 2026. The work will also include the component unit of the Development Corporation of Mercedes, Inc which will require a separate report and opinion for fiscal years ending September 30, 2024 with the optional subsequent years of September 30, 2025 and September 30, 2026.

Request for Proposals must be submitted no later than Friday, September 6, 2024 at 10:00AM at which time they will be opened in the City Manager's office. Any RFP's received after the deadline shall be returned unopened. Request for Proposals submitted via fax will not be accepted.

Fund Structure

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

	September 30, 2024	Annual Budget
Governmental		
General Fund	1	1
Special Revenue Fund	11	1

Debt Service Fund	1	1
Capital Projects Funds	3	
Enterprise	1	1
EMS	1	1

The City prepares its budgets on a basis consistent with generally accepted accounting principles. The legal level of control is at the department level. The City includes the presentations for the general and major special revenue funds as required supplementary information.

Federal Financial Assistance

The City had grants and federal revenues expended by the City during the fiscal year ended September 30, 2023 some of which continued thru fiscal year September 30, 2024, therefore the RFP should include the estimated cost for a Single Audit, but may not be required.

RFP Questions

Please direct any written questions regarding the City's financial statements and budget process to Interim Finance Director Meredith Hernandez at (956) 565-3114 ext. 160 or by email at mherandez@cityofmercedes.com on or before 5:00 p.m. Thursday, August 29, 2024.

The question(s) and response(s) shall be provided through email to all known prospective applicants and posted on the website as an addendum.

Selection of Applicant(s)

The contract for auditing services shall be for the City's and EDC's annual audit for the period ending September 30, 2024, with the option of auditing the City's financial statements for up to two additional fiscal years, ending September 30, 2025 and September 30, 2026.

Upon selection of the applicant by the City Commission, they will be contacted to submit the engagement letter for management approval.

It is further stated by the City of Mercedes that the performance and services to be provided will be paid from current revenues available.

Proposal Content

1. Describe your organization & the type of organization it is (LLC, etc.), date founded, and ownership of your firm as well as any subsidiaries and affiliates.
2. Describe the size of your organization, the location and phone numbers of the office from which the work on this engagement is to be performed.
3. Describe the experience of your organization, and its employees assigned to this engagement in performing financial consulting services.
4. Disclose if any governmental entity dropped your organization in the last 3 years and, if so, disclose the details on why that occurred; provide contact data for the identified entities.
5. Have previous clients and/or employers filed lawsuits against your organization, or the owner personally, in the last 5 years? If so, disclose the details of those cases and

- if they have been settled or are still pending.
6. Identify the credentials, including any licensing and/or certification, of key personnel that will be involved in this engagement, in particular their experience in accounting with municipal government accounts.
 7. Provide a brief summation of the reason you believe your organization should be selected, particularly, the unique capabilities that distinguish it from other applicants.

Evaluation Criteria

The following substantially represents the principal selection criteria that will be considered during the evaluation process:

- The applicant and/or the key personnel have received adequate continuing professional education in their field of expertise within the preceding three years.
- The proposer has no conflict of interest with regard to any other work requested by the City of Mercedes.
- The proposer exhibits expertise based on past experience and performance on comparable government engagements.
- The quality of the professional personnel to be assigned to this engagement, and the quality of the proposer's management support personnel to be assigned to the engagement.
- Any other criteria the City Commission may consider to factor-in during the review process, including the verbal presentation of the applicant's proposal.
- The proposer will have sufficient personnel and dedication to present audit to the City Commission no later than 120 days following the close of the fiscal year.

Conditions for Submission of Proposal

All Request for Proposals in response to this request must meet the following conditions to be considered:

- Proposal must include a cover letter clearly stating the name of the organization and name, address and telephone number of the proposer's representative.
- Proposal must address each of the items listed under 'Proposal Content'.
- List at least three (3) public sector clients that are similar to the engagement described in this Request for Proposals. Indicate the scope of work, contract period, engagement partner, and the name and telephone number of the principal client contact.
- **The City of Mercedes reserves the right to postpone, to accept or to reject any and all proposals, to waive any informalities in the proposal process and to negotiate portions thereof. Proposals that address only part of the requirements contained in this Request for Proposals will not be considered.**
- The Request for Proposals may be held for a period not to exceed thirty (30) days from the date of opening for the purpose of reviewing the proposals and investigation of the statement of qualifications and making recommendation to the City Commission for award.
- The proposer shall furnish such additional information that the City of Mercedes may reasonably require.

- The City of Mercedes will not be liable for any cost incurred in the preparation of proposals.

Procedures for Submitting sealed Proposals

One (1) original and three (3) copies of the Request for Proposals with fee schedule(s) for both 2024 and optional fiscal year 2025 must be submitted and shall be addressed to: City Secretary Joselynn Castillo, 400 S. Ohio, Mercedes, TX. 78570 and clearly marked "RFP #2024-018 for Auditing Services" on the outside of the packet. **Deadline: 10:00 A.M. Friday, September 6, 2024.**

Joselynn Castillo
City Secretary
City of Mercedes, Texas

POSTED ON THIS THE 13TH DAY OF AUGUST, 2024.

Joselynn Castillo, City Secretary