STATE OF TEXAS
COUNTY OF WALLER

AGREEMENT BY AND BETWEEN THE COUNTY OF WALLER, TEXAS AND ARMSTRONG, VAUGHAN & ASSOCIATES P.C.

This Agreement for auditing services ("Agreement") is entered into on the date of the last signature affixed hereto ("Effective Date") by and between Waller County, Texas ("County"), a political subdivision of the State of Texas, and Armstrong, Vaughan & Associates, P.C. ("Contractor"), a Texas professional corporation with its principal place of business at 941 W. Byrd Boulevard, Suite 101, Universal City, Texas 78148, (individually "Party" and collectively "Parties").

WHEREAS, County is a political subdivision of the State of Texas;

WHEREAS, Armstrong, Vaughan & Associates, P.C. is a professional corporation that provides professional accounting and auditing services;

WHEREAS, On February 5, 2025, the County issued RFQ 250205-31 pursuant to Texas Government Code Chapter 2254 seeking statements of qualification from interested firms to perform auditing services as specified in the RFQ;

WHEREAS, The County received a proposal from Contractor dated March 5, 2025 ("Proposal") in response to the RFQ.

WHEREAS, On March 19, 2025, the RFQ Scoring Committee recommended to the Waller County Commissioners Court that the County engage in contract negotiations with Contractor for the auditing services as specified in the RFQ;

WHEREAS, after engaging in contract negotiations, the County and Contractor desire to enter into this Agreement to clarify and make explicit the rights, duties, and responsibilities between the Parties;

NOW, THEREFORE, the Parties agree that the foregoing is true and correct, and further agree as follows:

SECTION 1. AGREEMENT

1.1 Scope of Services: Contractor shall provide to the County the Audit Services as specified in Exhibits B and C, and in accordance with the requirements of Exhibit A. Contractor shall perform the Audit Services upon the terms and conditions set forth in this Agreement, and in Exhibit A.

1.2 Compensation: The County agrees to pay Contractor for the Audit Services at the hourly prices stated in Exhibit D according to the terms and conditions of this Agreement. Compensation under this Agreement shall not exceed $77,840.00 for the Audit Services performed for any given fiscal year during the term of this Agreement, unless the County consents in writing to an increase prior to the time the fee is incurred. The County will only reimburse for travel expenses in accordance with Exhibit E, the Waller County Travel Policy.

1.3 Exhibits: Exhibit A, the RFQ; Exhibit B, the Engagement Letter; Exhibit C, the Proposal; Exhibit D, the Rate Schedule; and Exhibit E, the Waller County Travel Policy are attached hereto, and incorporated by reference as if each were fully set forth herein for all purposes.

1.4 RFQ Terms and Conditions: All terms, conditions, and requirements of Exhibit A, the RFQ shall apply to this Agreement.

SECTION 2. CONTRACTOR'S OBLIGATIONS

2.1 Personnel: Contractor represents that only adequate, qualified personnel will be utilized for the timely performance of the Audit Services required under this Agreement, and that Contractor shall provide at its own expense adequate and sufficient personnel to perform the Audit Services when and as required, and without delay. Each employee of Contractors that performs work on the Audit Services shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any of Contractor's employees who, in the County's sole discretion, is incompetent or by whose conduct becomes detrimental to the performance of the Audit Services shall, upon request by County, be immediately removed from performing any portion of the Audit Services.

2.2 Time for Performance: The Audit Services for Fiscal Year 2024 shall be completed in accordance with the timeline specified in Exhibit B. Timing for completion of the Audit Services is of the essence. The Audit Services for Fiscal Year 2024, including the single audit, shall be complete and the final presentation made to Commissioners Court no later than September 2, 2025. The Audit Services for Fiscal Years 2025 and 2026 shall be in accordance with a written timeline provided by the County. If delivery or completion cannot be made in accordance with the timeline specified, Contractor must notify the County Auditor immediately and in writing. Notifying the County Auditor does not change the delivery or completion timelines unless this Agreement is amended according to its terms.

2.3 Reports: Contractor shall provide County with written reports upon completion of the Audit Services in both paper and electronic format, including charts, schedules, and other appended documentation.

2.4 Document Ownership: The written documentation created by Contractor in performing the Audit Services shall become the property of the County upon completion of the Audit Services for each applicable fiscal year, or in the event of termination or cancellation thereof. Upon completion of the Audit Services for each fiscal year, Contractor shall turn over to County all documents, papers, and other matter Contractor has in its possession related to the Audit Services.

2.5 Confidential Information: Contractor acknowledges that it and its employees may, in the course of performing work under this Agreement be exposed to or acquire information that is confidential to the County. Neither Contractor nor Contractor's employees shall disclose to any person or entity, other than the County, any information provided to, developed by, prepared by, used by, obtained by, or assembled by Contractor under this Agreement without the prior written approval of the County. Contractor must secure and maintain the confidentiality of records and information to which Contractor may have access during the performance of this Agreement to prevent theft or inadvertent disclosure of confidential information. Notwithstanding the foregoing, Contractor acknowledges that County is a governmental entity subject to the Texas Public Information Act as provided in Section 10.16.

2.6 Security Breach: Contractor shall notify the County in writing immediately upon learning of any security breach affecting information acquired or developed pursuant to this Agreement.

SECTION 3. INVOICES

3.1 Prompt Payment: Invoices submitted hereunder shall be paid in accordance with Texas Government Code Chapter 2251. If there is any dispute concerning the invoice, the County will notify the Contractor. The County will not pay an invoice if there is a dispute about the accuracy of the invoice, or the Audit Services are not to the satisfaction of the County.

3.2 Invoices: Contractor agrees to provide County with itemized invoices showing hours worked and the applicable hourly rate upon completion of defined tasks. In submitting the invoices, Contractor acknowledges and by execution of this Agreement certifies that:

a. The invoices were carefully reviewed for a detailed description of the Audit Services performed;

b. The Audit Services were performed in compliance with the Agreement,

c. The total amount of the invoice and all invoices previously submitted do not exceed the contractual cap of the Agreement, and

d. All appropriate and required supporting documentation is attached.

3.3 Invoice Documentation: The County may, in its sole discretion, require additional documentation to support payment, and Contractor shall provide such documentation within five (5) days of the request.

SECTION 4. TERM AND TERMINATION

4.1 Initial Term: Contractor shall render the Audit Services in accordance with the terms of this Agreement for a period of three (3) years beginning on the Effective Date, and the Audit Services shall be performed for Fiscal Years 2024, 2025, and 2026. The Agreement shall continue until terminated in accordance with the terms of this Agreement.

4.2 Optional Renewal: The County, in its sole discretion, may choose to renew this Agreement for two (2) additional one-year terms following the completion of the Initial Term by providing written notification to Contractor. If County chooses to renew this Agreement, all provisions of this Agreement shall remain in full force and effect, unless the Agreement is otherwise modified in accordance with its terms.

4.3 Automatic Termination: This Agreement shall automatically terminate upon complete performance of the terms and conditions of the Agreement by each Party, or otherwise in accordance with its terms.

4.4 Termination for Failure to Perform: Either Party may terminate this Agreement if the other Party fails to perform in accordance with the terms of this Agreement, provided that the failure to perform is at no fault of the terminating Party. Contractor shall be responsible for any expenses it incurs after the date of termination.

4.5 Termination for Insolvency and Bankruptcy: The County, in its sole discretion, may immediately terminate this Agreement without notice or the opportunity to cure if Contractor becomes insolvent or files any petition for bankruptcy.

4.6 Termination for Cause or Convenience: The County may terminate this Agreement for cause or convenience by providing written notice to the Contractor in accordance with Section 10.18. The notice must state the reasons for such termination. The Agreement will continue in force during the 30 day notice period. Contractor shall not be entitled to lost or anticipated profits should the County choose to exercise its option to terminate.

4.7 Notice of Termination: The terminating Party shall provide 30 days written notice of termination to the other Party as provided in Section 10.18 unless the applicable termination provision specifies otherwise.

4.8 Opportunity to Cure: A Party receiving notice of termination for failure to perform in accordance with the terms of this Agreement shall have the opportunity to cure its failure to perform beginning on the day of its receipt of the written notice, and continuing for thirty (30) calendar days thereafter. The cure, if made, shall be to the terminating Party's satisfaction. If no cure is made, the Agreement will terminate on the date specified in the written termination notice, or if no date is specified, on the thirtieth (30^{th}) calendar day after the date of receipt of the notice, unless otherwise agreed by the Parties.

4.9 Payment After Termination: If County terminates this Agreement, Contractor shall be entitled only to payment for services already rendered prior to the termination date.

SECTION 5. INTERPRETATION

5.1 Interpretation: In the event of any discrepancy between this Agreement and its exhibits, the documents shall be given the following priority: 1) this Agreement 2) Exhibit A, the RFQ, including its attachments and addendums, 3) Exhibit B, the Engagement Letter, 4) Exhibit C, the Proposal, and 5) Exhibit D the Rate Schedule. The terms and conditions in this Agreement and in the RFQ are controlling over the terms and conditions contained in Exhibit B and Exhibit C.

SECTION 6. PERMITS; COMPLIANCE WITH LAWS AND REGULATIONS

6.1 Permits; Compliance with Laws and Regulations: Contractor shall possess or obtain any applicable permits required by municipal ordinance, county ordinance, or state or federal law for the performance of this Agreement prior to commencing the work contemplated by this Contract. Contractor shall perform its obligations pursuant to this Agreement in accordance with all federal, state, and local statutes, ordinances, laws, regulations, and executive, administrative, and judicial orders applicable to the performance of this Agreement.

SECTION 7. INDEPENDENT CONTRACTOR

7.1 Independent Contractor: Contractor's status shall be that of an independent contractor and not an agent, servant, employee, or representative of the County in the performance of the Contract. Contractor shall exercise independent judgment in performing duties under this Contract, and in cooperation with the relevant County department, is solely responsible for setting working hours, scheduling or prioritizing the work flow, and determining how the work is to be performed. No term or provision of this Agreement or act of the Contractor in the performance of this Agreement shall be construed as making Contractor the agent, servant, or employee of the County.

SECTION 8. INDEMNITY

8.1 **<u>INDEMNITY</u>: CONTRACTOR, ITS OFFICERS, DIRECTORS, PARTNERS, CONTRACTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, AND/OR TRUSTEES (COLLECTIVELY REFERRED TO AS "CONTRACTOR" FOR PURPOSES OF THIS SECTION), AGREE TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COUNTY AND ITS OFFICERS, OFFICIALS, DEPARTMENT HEADS, REPRESENTATIVES, AGENTS, AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "COUNTY" FOR PUPOSES OF THIS SECTION) FROM ANY AND ALL CLAIMS, DEMANDS, DAMAGES, INJURIES – INCLUDING DEATH – LIABILITIES, AND EXPENSES (INCLUDING ATTORNEY'S FEES AND COSTS OF DEFENSE) ARISING DIRECTLY OUT OF OR RESULTING FROM THE OPERATION OR PERFORMANCE OF CONTRACTOR UNDER THIS CONTRACT. THE COUNTY WILL NOT ACCEPT LIABILITY FOR INJURIES THAT ARE THE RESULT OF THE NEGLIGENCE, MALFEASANCE, ACTION, OR OMMISION OF CONTRACTOR. CONTRACTOR AGREES TO ACCEPT LIABILITY FOR INJURIES TO ITSELF OR OTHERS CAUSED BY ITS OWN NEGLIGENCE, MALFEASANCE, ACTION, OR OMMISSION. THIS INDEMNIFICATION PROVISION IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT NOT BE LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST COUNTY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS, AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND KNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONTRACTOR AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONTRACTOR, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT, OR OTHERWISE.**

COUNTY SHALL HAVE THE RIGHT TO APPROVE DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION TO DEFEND AND INDEMNIFY COUNTY HEREUNDER, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY COUNTY IN WRITING. COUNTY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, COUNTY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY COUNTY IS NOT TO BE CONSTRUED AS A WAIVER OF

CONTRACTOR'S OBLIGATION TO DEFEND COUNTY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY COUNTY PURSUANT TO THIS CONTRACT. IF CONTRACTOR FAILS TO RETAIN COUNTY APPROVED DEFENSE COUNSEL WITHIN TEN (10) BUSINESS DAYS OF COUNTY'S WRITTEN NOTICE THAT COUNTY IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS CONTRACT, COUNTY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL REASONABLE ATTORNEY FEES AND COSTS INCURRED BY COUNTY. CONTRACTOR AND COUNTY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS CONTRACT.

SECTION 9. INSURANCE REQUIREMENTS

9.1 Contractor Insurance Requirements: Contractor shall procure, pay for, and maintain insurance coverage during the term of this Contract, with a company authorized to do business in the State of Texas having an "AM BEST" rating of A- or better, and otherwise acceptable to the County. Contractor agrees to maintain the following insurance coverages:

a. Workers Compensation in accordance with the laws of the State of Texas

b. Employers' Liability insurance with limits of not less than $1,000,000 per injury by accident, $1,000,000 per injury by disease, and $1,000,000 per bodily injury by disease.

c. Comprehensive general liability insurance with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policy holder.

d. Business Automobile Liability coverage for owned, non-owned, and hired vehicles, with minimum limits of not less than $1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.

e. Professional liability insurance with limits not less than $1,000,000.

9.2 Additional Insured: Contractor's insurance policies that cover performance under this Agreement shall name the County as an additional insured. Contractor shall provide County with unaltered original insurance certificates endorsed by the underwriter prior to beginning work under this Agreement.

9.3 Waiver of Subrogation: All liability policies written on behalf of Contractor shall contain a waiver of subrogation in favor of the County.

9.4 Cancellation or Changes: No cancellation of or changes to the certificates or policies may be made without providing Waller County thirty (30) days prior written notice.

9.5 No Decreased Liability: Insurance coverages do not relieve or decrease the liability of Contractor.

SECTION 10. MISCELLANEOUS PROVISIONS

10.1 Jurisdiction and Venue: This Agreement is made and shall be construed according to the laws of the State of Texas, without regard to its conflict of laws provisions. Venue of any court actions brought directly or indirectly by reason of this Agreement between Contractor and County shall be in Waller County, Texas. This Agreement is made and is to be performed in Waller County, Texas.

10.2 Appropriation of Funds: Texas law prohibits the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Anticipated orders or other obligations that may arise past the end of the current Waller County fiscal year shall be subject to budget approval. Any contract that extends beyond the current Waller County fiscal year is contingent upon the appropriation of funds from the relevant budget and fiscal year. If for any reason funds are not appropriated to continue the lease or contract, said lease or contract shall become null and void on the last day of the current appropriation of funds. Contractor shall be responsible for all expenses occurring after the date of termination.

10.3 Assignment. Contractor shall not sell, assign, transfer, or convey this Agreement, in whole or in part, without the prior written consent of the County, unless the assignment is to an entity that is directly or indirectly controlled by, or is in common control with the assigning entity. The following conditions must be met before any permitted assignment becomes effective: a) Contractor must give written notice of a proposed assignment to the County at least thirty (30) days prior to the effective date of the assignment; b) the assignee must explicitly accept all of Contractor's obligations under this Agreement; c) Contractor must retain its obligations to the County under this Agreement until the assignment is effective; d) the Assignment must be executed by both Contractor and the assignee; e) Contractor must provide the County a fully executed assignment agreement not later than five (5) business days after the assignment is signed, and f) the County provides a signed, written consent to the assignment. If the assignment is to an entity that is directly or indirectly controlled by, or is in common control with the assigning entity, the assigning entity must provide the County with thirty (30) days prior written notice. If Contractor fails to comply with the terms of this section, County, in its sole discretion, may terminate the Agreement subject to the provision of Section 4.7.

10.4 Right of Review and Audit: County shall have the right to audit, at County's election, all of Contractor's records and billings relating to the performance of this Agreement as may be reasonably necessary for County to confirm its payment obligations under this Contract. Contractor agrees to retain such records for a minimum of five (5) years following completion of this Contract. Any payment, settlement, satisfaction, or release made or provided during the course of performance of this Agreement shall be subject to County's rights as may be disclosed by an audit under this section.

10.5 No Waiver: No claim or right arising out of a breach of this Agreement can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. The County's failure to require strict performance of any provision of this Agreement does not waive or diminish the County's right thereafter to demand strict compliance with that or any other provision. The County's waiver or failure to exercise in any respect any right provided for in this agreement shall not be deemed a waiver of any further right under this agreement. The County and its employees, officers, and officials do not waive, modify, or alter to any extent any of their defenses, immunities, or remedies.

10.6 No Arbitration: A dispute arising under or related to this Agreement shall not be subject to arbitration.

10.7 Severability: If any provision of this agreement is invalid, illegal, or unenforceable under any applicable statute, court decision, or rule of law, it is to that extent to be deemed omitted. In such event, there shall be substituted for such deleted provisions a provision as similar as possible in terms and in effect to such deleted provision that is valid, legal, or enforceable. The remainder of the agreement shall be valid and enforceable to the maximum extent possible.

10.8 Entire Agreement: This Contract, together its exhibits, embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Contract.

10.9 Titles Not Restrictive: The titles assigned to the various sections and paragraphs of this Agreement are for convenience only. Titles shall not be considered restrictive of the subject matter of any part of this Contract.

10.10 Tax Exempt: The County is a tax-exempt organization. The County will not pay taxes from which it is exempt. The County can provide tax exempt paperwork upon request.

10.11 Other Expenses: Except as otherwise expressly set forth in this Agreement, each of the parties will bear its own expenses in connection with the performance contemplated by this Agreement.

10.12 Waiver of Subrogation: Contractor and Contractor’s insurance carrier waive any and all rights whatsoever with regard to subrogation against Waller County as an indirect party to any suit arising out of personal or property damages resulting from Contractor’s, its employees’, or subcontractors’ performance under this Agreement.

10.13 No Third-Party Beneficiaries: This Agreement does not inure to the benefit of any third party, except permitted successor or assigns.

10.14 Amendments: Any amendment, modification, or addition to this Agreement or its exhibits must be in writing and approved by Contractor and the Waller County Commissioners Court.

10.15 Authority to Sign: Signatories to this Agreement represent and warrant that they have the authority to bind the respective parties.

10.16 Public Information: The County is bound by Texas Government Code Chapter 552, the Public Information Act, and other laws concerning government records. Contractor shall clearly and noticeably mark all confidential information and documents it provides to the County pursuant to this Agreement. The County will make good faith efforts to promptly notify Contractor if any such information is requested in a public information request, subpoena, or other method so Contractor may argue against the release of such information. Contractor recognizes and understands that the final decision as to what information must be disclosed pursuant to the PIA lies with the Texas Attorney General. Contractor further agrees that the County and its employees, officers, and officials may furnish information acquired through or pursuant to this Agreement and that is requested through the PIA to the Texas Attorney General for a determination of whether the information must be disclosed. The County and its employees, officers, and officials shall have no liability or obligation to any party for the disclosure to the public, or to any person or persons, of any items or data furnished to the County by Contractor in reliance on any statute, court opinion, court order, or the advice, decision, or opinion of the Texas Attorney General.

10.17 No Debt: No debt shall be incurred, or deemed to have been incurred, under this Agreement by the County. Payments by County to Contractor for the Audit Services provided under this Agreement must be made from current revenues available to County. The payment of funds under any provision of the Agreement by County is contingent upon an appropriation by County to cover provisions of the Agreement. In the event that County fails to appropriate sufficient funds to cover the Audit Services contemplated by this Agreement during budget planning and adoption for any of the fiscal years from the Effective Date, County will notify Contractor. Neither County, its elected officials, employees, agents, insurers, attorneys, nor any other individual acting on behalf of County may make any representation or warranty as to whether any appropriation will be made by the governing body of the County. The failure of County to appropriate sufficient funds will not cause County to be in default under this Agreement, and Contractor's sole and exclusive remedy shall be to terminate this Agreement. County shall pay Contractor for any services rendered under this Agreement prior to the effective date of the termination.

10.18 Notices: Notices delivered hereunder shall be in writing and shall be delivered by personal delivery or certified mail, return receipt requested. Mailed notices shall be deemed received three (3) business days after the notice is placed in the mail with proper postage paid. Any notice or certification to be provided pursuant to this Agreement shall be delivered to the following persons, unless a substitute representative is designated in writing:

To the County:	To Contractor:
Attn: County Judge 425 FM 1488, Suite 106 Hempstead, Texas 77445	Attn: [NAME] 941 West Byrd Blvd., Suite 101 Universal City, Texas 78148

COUNTY	**CONTRACTOR**
____________________ Carbett "Trey" J. Duhon III County Judge	Karl Goering, CPA Karl Goering, CPA
Date: ____________	Date: 4/23/2025

EXHIBIT A

WALLER COUNTY

STATE OF TEXAS

REQUEST FOR QUALIFICATIONS
250205-31

Project Title
Financial Audit Services For Waller County, Texas

Solicitation Closing Date
Wednesday, March 5, 2025 at 10:00 AM (CST)

TABLE OF CONTENTS

REQUEST FOR QUALIFICATIONS RESPONSE FORM

Waller County, Texas is requesting Statements of Qualifications from Public Accounting Firms to perform financial audit services for a three (3) year period, beginning January 2025, fiscal year audit 2024, with an option to renew for two additional one-year terms at the discretion of the Waller County Commissioners Court. This Request for Qualifications (RFQ) is an invitation for interested firms and individuals to submit Responses for consideration to be awarded the Contract.

RFQ Number: 250205-31
RFQ Title: Request For Qualifications For Financial Audit Services For Waller County, Texas
Due Date: March 5, 2025 by 10:00 AM (CST)

Please return the four (4) print copies and one (1) electronic copy of your Statement of Qualification ("Response") in a sealed envelope to:

Debbie Hollan
Waller County Clerk
425 FM 1488, Suite 112
Hempstead, Texas 77445

The Response must be received by the Waller County Clerk by the Due Date. RFQs will only be accepted by hand or mail according to the Terms and Conditions contained in this RFQ.

Sealed envelopes must be addressed to the Waller County Clerk, and be clearly marked on the outside of the envelope with "**RFQ #250205-31 – FINANCIAL AUDIT SERVICES,**" and the name of Respondent's firm.

Note: All dates subject to change based on the needs of Waller County.

PLEASE READ THIS ENTIRE RFQ CAREFULLY

By submitting a Response, the undersigned hereby certifies that said Response has been independently arrived at and that terms or conditions appearing hereon or applicable hereto, have not and will not be disclosed by or on behalf of the Respondent to another contractor or competitor.

The undersigned by his or her signature represents that he or she is authorized to bind the Respondent to fully comply with the Terms and Conditions of the RFQ and the Response. You further certify that all of the information contained in your Response is truthful to the best of your knowledge and belief, and that the Response is made without prior understanding, agreement, connection, discussion, or collusion with an officer, employee, or agent of Waller County, Texas. By signing below, you certify that you have read the entire document and agreed to the terms therein. **You must sign below in ink; failure to sign and return WILL disqualify the Response. All Responses must be typewritten.**

______________________	______________________
Firm Name	Address
______________________	______________________
Firm Representative and Title	City, State, Zip
______________________	______________________
Signature	Telephone Number

SECTION 1. GENERAL INFORMATION

1.1 Definitions

A. "Waller County" and "County" means Waller County, Texas.

B. "Respondent" and "Firm" may be used synonymously.

C. "Commissioners' Court" means the Commissioners' Court of Waller County, Texas.

D. "Contract" means the written agreement(s) the County enters into with the successful Respondent, and includes this RFQ in its entirety.

E. "Must," "shall," or "will" mean that compliance with the intent of the statement is mandatory.

F. "County Department" means the Waller County Auditor's Office.

G. "Point of Contact" is Waller County Auditor Alan Younts.

H. "Scoring Committee" means the Waller County officials and/or employees responsible for evaluating a Response in accordance with the evaluation factors set forth in Section 3.9 Evaluation Process and Criteria.

1.2 Questions and Clarifications

A. Questions: All questions regarding this RFQ must be in writing and sent by email to Alan Younts, Waller County Auditor at a.younts@wallercounty.us. **Contact with other personnel of the County regarding the Request for Qualifications may be grounds for elimination from the selection process. The deadline for submitting questions is Friday, February 19, 2025 by 10:00 AM (CST).** Do not rely on oral instructions or clarifications. Requests from interested Respondents for additional information or interpretation of the information included in the specifications should be directed to in writing to a.younts@wallercounty.us.

B. Responses: Responses to all inquiries relating to this RFP will be issued in writing via addendum and will be uploaded to the County's website at https://www.co.waller.tx.us/page/BidsAndProposalRequests in accordance with Section 3.7, Anticipated Schedule of Events. All such addenda issued by the County prior to the submittal deadline shall be considered part of the RFQ. The County shall not be bound by any reply to an inquiry unless such reply is made by such formal written addendum.

C. Acknowledgement of Addenda: Should it become necessary for the County to issue one or more addendum to the RFQ, the Respondent is required to acknowledge receipt of each addendum issued. RFQ changed per addendum should be noted within the Responses as well.

1.3 Response Instructions

A. Read this document in its entirety. Ensure your Response is complete, and double check it for accuracy.

B. Response Requirements: Responses submitted shall meet the following requirements:

i. Four (4) complete printed copies of the Response. One (1) printed original shall be signed in BLUE ink, and the remaining three (3) shall be complete copies of the original.

ii. One (1) searchable electronic copy on a USB flash drive of the entire Response.

iii. Be printed on single sided 8.5x11 inch paper.

iv. Be delivered in a sealed package bearing the following information:

a. **RFQ #250205-31 – FINANCIAL AUDIT SERVICES**

b. Respondent's Firm Name

C. Response Submission: Respondent shall be solely responsible for ensuring timely submission of its Response. Respondent must return all completed Responses to the office of the Waller County Clerk at 425 FM 1488, Suite 112, Hempstead, Texas 77445 before the date and time specified for Response submission. **LATE RESPONSES WILL NOT BE ACCEPTED. ELECTRONICALLY SUBMITTED RESPONSES, INCLUDING THOSE FAXED AND/OR EMAILED, WILL NOT BE ACCEPTED.**

D. Response Withdrawal: Responses may be withdrawn or modified only in accordance with Section 2.71 of the Terms and Conditions of this RFQ.

1.3 Formatting Requirements

A. Table of Contents and Tabs: The proposer's Response shall include Table of Contents tabbed sections.

B. Letter and Executive Summary: A letter of transmittal signed by an official authorized to bind the Respondent to a resultant contract must be included in the original Response. The letter must be limited to two pages. The letter shall be followed by an executive summary that briefly summarizes the proposer's plan for providing the required services and the proposer's ability to provide such services. The executive summary must be limited to three pages.

C. Specifications: Respondent shall acknowledge and indicate compliance (e.g. Understands and Complies) with any and all requirements indicated under each division of **RFQ Section 3: Specifications**. Respondent shall provide any information specifically required. The Respondent is encouraged to provide concise responses that respond to the specific requirement. Some numbered paragraphs simply introduce the requirements that follow or provide information for the Respondent. For such non-technical paragraphs, a simple acknowledgement of the vendor's understanding and compliance is sufficient.

D. Implementation Plan: Provide a narrative description and proposed timeline for the implementation of the required service(s). See **RFQ Section 3.6: Implementation Plan**.

E. ***(if applicable)*** **RFQ Addenda:** Should it become necessary for Waller County to issue one or more addenda to the RFQ, the vendor is required to acknowledge receipt of each addendum issued**. RFQ changes per addenda should be noted within the responses as well.**

1.4 **<u>Required Forms and Documents</u>**:

A. Response Form

B. Debarment Certification

C. No Israel Boycott Certification

D. No Excluded Nation or Foreign Terrorist Organization Certification

E. Deviation and Compliance

F. Respondent's Business Name

G. No Energy Company Boycott Certification

H. No Discrimination Against Firearm and Ammunition Industries Certification

I. Certification on Indebtedness to County

J. Agreement to Provide Certificate of Insurance

K. Certificate of Interested Parties – Texas Ethics Commission Form 1295

L. Conflict of Interest Questionnaire

The above listed forms are required, and may be found on the County's Website at https://www.co.waller.tx.us/page/BidsAndProposalRequests under the file name: Financial Audit Services – RFQ 250205-31_Required Forms. It is a Respondent's responsibility to complete all necessary Required Forms, and follow any instructions contained therein. The County reserves the right to disqualify a Respondent who does not complete all Required Forms, or submits Required Forms that have been completed incorrectly.

SECTION 2 TERMS AND CONDITIONS

2.1 **<u>Addenda</u>**: The County, in its discretion, reserves the right to amend this RFQ by formal written Addenda prior to the Submittal Due Date. When specifications are revised, the Waller County Auditor's Office will issue an addendum addressing the nature of the change. In each case, Respondents must sign it and include it in the returned Response package. It is a Respondent's responsibility to regularly check the County's website at https://www.co.waller.tx.us/page/BidsAndProposalRequests for any and all amendments made to the RFQ by Addendum. **It is the Respondent's responsibility to incorporate any issued addendum into their Response.** Failure to do so will result in disqualification.

2.2 **<u>Advertising</u>**: Unless otherwise required by law, Respondents to this RFQ shall not publish and shall keep confidential their intentions and actions respecting their response to the RFQ.

2.3 **<u>Alteration of RFQ</u>**: Respondent shall in no way alter the County's published RFQ package. If any alteration is made, the County's RFQ as published by the County shall control. Further, if an alteration of any kind to the County's published RFQ is discovered only after the Contract is executed, the Contract is subject to immediate cancellation by County without penalty of any kind to the County.

2.4 **<u>Alteration of Responses</u>**: Any interlineations, alteration, or erasure made before the submission deadline must be initialed by the signer of the Response guaranteeing authenticity.

2.5 **Assignment**: The successful Respondent shall not sell, assign, transfer, or convey this contract, in whole or in part, without the prior written consent of the Waller County Commissioners' Court.

2.6 **Background Checks**: The County may require background checks on Respondent's employees, and may require Respondent to pay the cost of obtaining criminal history information.

2.7 **Certain Professional Services Excluded**: Neither this RFQ nor any Contract includes services of architects, engineers, or surveyors, the procurement of which is governed by Texas Government Code § 2254.004.

2.8 **Certification Regarding Debarment, Suspension Ineligibility, and Voluntary Exclusion**: The Respondent certifies that it is not ineligible for participation in federal or state assistance programs under Executive Order 12549, "Debarment and Suspension." The Respondent further agrees to include this certification in all contracts between itself and any subcontractors in connection with the services performed or goods provided under this Contract. Respondent also certifies that Respondent will notify Waller County in writing immediately if Respondent is not in compliance with Executive Order 12549 during the term of this Contract. Respondent agrees to refund Waller County for any payments made to the Respondent while ineligible.

2.9 **Change of Ownership**: If ownership of your firm or business should change during the term of this contract, Waller County must be notified as soon as possible in writing, but no later than (10) days from the ownership change, and a new declaration of relationship shall be submitted immediately to the Waller County Auditor's Office. Failure by the Respondent to provide written notification of change of ownership may result in cancellation of the contract.

2.10 **Changes or Modifications**: No oral statement of any person shall modify or otherwise change, or affect the terms, conditions, or specifications stated in the resulting Contract. All changes to the contract must be approved by the Waller County Commissioners' Court and will be made in writing to the Waller County Auditor.

2.11 **Commissioners' Court Decision**: The final decision as to the selection of the services provider rests solely with the Waller County Commissioners' Court. The relevant County Department will provide input to the Commissioners' Court. Contracts are subject to review by the Waller County Criminal District Attorney's Office prior to signature by the County Judge.

2.12 **Conformity to Item Specifications and Contract Award**: Respondent warrants that the services it provides under the Contract will conform to the scope and other requirements of this RFQ. Respondent further warrants that all services provided under the Contract meet all applicable legal standards and requirements, and will be performed by qualified professionals.

2.13 **Conflict of Interest**: Consistent with the Waller County Purchasing Policy and Texas Local Government Code, Chapter 171, the Commissioners' Court shall not approve the expenditure of any funds in favor of a business entity in which a county official or employee either directly or indirectly owns a substantial interest unless prior to any vote or decision on any matter involving the business entity, the Commissioners are made aware of the interest of the official or employee and provided further that the official or employee take no part in the negotiating, making, accepting, or approving any payment, agreement, or contract affecting the business entity and performs no duty for Waller County in connection with the business entity.

Each Respondent must disclose any existing or potential conflict of interest relative to the performance of the requirements of this RFQ. Any personal or business relationship between the Respondent, its principal(s), affiliate, or employee, with an employee or official of the County must be disclosed. Any such relationship that might be perceived or represented as a conflict must be disclosed. Failure to disclose any such relationship or reveal personal relationships with the County employees or officials shall be cause for Contract termination. A Conflict of Interest form should be filed with the Waller County Clerk prior to the submission of a Response. A copy of the file-stamped Conflict of Interest form must accompany the submission of a Response.

Respondents affirm they have not given, nor intend to give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a County official or employee, or representative of the same in connection with this procurement.

An outside consultant or vendor is prohibited from submitting a bid or Response for services on a Waller County project of which the consultant or vendor was a designer or previous contributor, or was an affiliate, subsidiary, joint venture, or was in any other manner associated by ownership to any party that was a designer or other previous contributor. If such a consultant or vendor submits a prohibited bid or Response, that bid or Response shall be disqualified on the basis of conflict of interest, no matter when the conflict is discovered by Waller County.

2.14 **Contract Obligation**: The contract may only be awarded by the Waller County Commissioner's Court. Department heads are not authorized to execute a contract, or any amendment or modification therefrom for Waller County.

2.15 **Contract Renewals**: Renewals may be made only by written agreement between Waller County and the Respondent. The Commissioners' Court must approve contract renewals. Any price escalations are limited to those stated by the Respondent in the Original Response.

2.16 **Contract Termination**: This contract shall remain in effect until expiration, completion, and acceptance of services or default. Waller County reserves the right to terminate for default if the successful Respondent fails to fails to (1) meet delivery or completion schedules, or (2) otherwise perform in accordance with the accepted Response. Either party may terminate for default in accordance with Section 2.52.

Waller County reserves the right to terminate the contract immediately if the successful Respondent Waller County reserves the right to terminate the Contract immediately if Respondent becomes insolvent or commits acts of bankruptcy.

Either party may terminate this contract without cause by providing thirty (30) days written notice to the other party. The Respondent must state therein the reasons for such cancellation. Prior written notice must be delivered in person or sent by registered or certified mail, return receipt requested, proper postage paid, and properly addressed to the other party at the address on the affidavit for the Respondent or to the Waller County Auditor's Office at 425 FM 1488, Suite 119 Hempstead, Texas 77445. The Contract will continue in force during the thirty (30) day notice period.

In the event that the County terminates the Contract, the County reserves the right to award the terminated Contract to the next Respondent the County selects based on demonstrated competence and qualifications to perform the services for a fair and reasonable price.

The County will not be liable to Respondent for any damages, including but not limited to, loss of profits, loss of business, or any special, consequential, exemplary, or incidental damages resulting from termination based on Respondent's default or breach of contract.

2.17 **County's Right to Stop Work**: If the Respondent fails to correct work which is not in accordance with the requirements of the Contract, the County may order the Respondent to stop work, or any portion thereof, until the cause for such order is eliminated.

2.18 **County's Right to Continue Work**: If Respondent defaults or neglects to carry out the work in accordance with the Contract, and fails within a thirty (30)-day period after receipt of notice from the County to provide an acceptable plan to correct such default, the County may correct such deficiencies and may deduct the reasonable cost thereof from the payment due the Respondent.

2.19 **Design, Standards, and Practices**: Work performed and services provided must conform to the highest standards of professional services.

2.20 **Deviations**: Respondent must clearly note and explain in detail any and all limitations, exceptions, qualifications, special conditions, or other deviations from these Terms and Conditions or any of the item specifications in the Response at the time the Response is submitted. The submission of any such deviation may prevent the County from considering the Response.

The County may seek clarification from and/or communicate with Respondent regarding a submitted deviation, consistent with general procurement principles.

Other than any deviation submitted in writing with the Response and accepted by the County, the County will hold the Respondent accountable to perform in strict compliance with these Terms and Conditions, the scope, and specifications as written.

2.21 **Email Address Consent**: Respondent affirmatively consents to the disclosure of its email addresses that are provided to Waller County or any of its Departments. This consent is intended to comply with the requirements of the Texas Public Information Act, Texas Government Code §522.137, as amended, and shall survive termination of this agreement. This consent shall apply to e-mail addresses provided by Respondent, its employees, officers, and agents acting on Respondent's behalf and shall apply to any email addresses provided in any form for any reason whether related to the Response, RFQ, Contract, or otherwise.

2.22 **Errors and Omissions**: Due care and diligence have been used in preparation of this RFQ, and it is believed to be substantially correct. However, the responsibility for determining the full extent of the exposure and the verification of all the information presented herein shall rest solely on the Respondent. Waller County and its representatives shall not be responsible for errors or omissions in the specifications, nor for failure on the part of the

Respondent to determine the full extent of the exposure.

2.23 **Equal Employment Opportunity (EEO) Disclosures**: Respondent agrees to abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal laws and the laws of the state in which Respondent's primary place of business is located. In accordance with such laws, regulations, and executive orders, Respondent agrees that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, age, veteran status, disability, or genetic information, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed by Respondent under the Contract. Upon request, Respondent will furnish information regarding its nondiscriminatory hiring and promotion policies.

2.24 **Evaluation**: A Response submitted in accordance with this RFQ will be evaluated for award. A Response may be disqualified at any time during the evaluation process for failure to meet any terms or conditions contained anywhere in this RFQ. Failure to include all required information may result in a Response being disqualified.

The County will award the contract to the responsible offeror on the basis of demonstrated competence and qualifications to perform the services, and for a fair and reasonable price.

See Section 3.9 for Evaluation Criteria.

The award of this contract shall be made to the Respondent offering the proposal which best meets the needs of Waller County. The County may conduct investigations, as it deems necessary, to determine the capabilities of the Respondent to comply with the terms of the RFQ. The Respondent shall furnish such data to the County if requested for this purpose. The County reserves the right to reject any offer if the evidence submitted by the Respondent or the investigation of the Respondent fails to satisfy the County that the Respondent is properly qualified to provide the services contemplated, required, or offered in its Response, or if the overall Response is deemed non-compliant. Waller County may request representation and other information sufficient to determine Respondent's ability to meet applicable professional standards, ability to comply with delivery schedules, and the provision of records of performance.

Waller County will evaluate all Responses to ensure all mandatory requirements are met.

In the event it is deemed necessary to have the Respondent further explain or demonstrate relevant information from the Response, upon request, the Respondent shall submit additional information or make oral and/or written presentations and/or demonstrations to comply with the requirement. All expenses associated with any demonstration will be borne by the Respondent.

All Responses are subject to negotiations by Waller County and the appropriate departments, with recommendations to Commissioners' Court. All Responses that have been submitted shall be available and open for public inspection after the contract is awarded except for trade secrets or confidential information contained in the Responses and identified as such.

In regards to Respondent's past performance, among other factors, the County may consider a Respondent's breach of contractual obligation on any other County Contract awarded to Respondent. County may also consider whether Respondent has successfully completed performance under a prior County Contract in conformity with the project specifications.

The County reserves the right to reject any and all submitted Responses. In that event, a new RFQ may or may not be extended.

Waller County reserves the right to negotiate optional items and/or services with the successful Respondent.

2.25 **Exceptions**: The Respondent shall state any exceptions desired to these Terms and Conditions and may suggest alternate wording that addresses the intent of the term or condition. The County may accept or reject any suggestions in accordance with law.

2.26 **Force Majeure**: To the extent either party of this agreement shall be wholly or partially prevented from the performance specified, or of any obligation or duty placed on such party by reason of or through work strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, court judgment, act of God, or other specific cause reasonably beyond the parties' control and not attributable to its malfeasance, neglect, or nonfeasance. In such event, the time for performance of such obligation or duty shall be suspended until such disability to perform is removed. The burden of proof for the need of such relief shall rest upon the party obligated to perform. To obtain release based on force majeure, the party obligated to perform shall file a written request with the other party.

2.27 **Funding**: Texas law prohibits the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Anticipated obligations that may arise past the end of the current Waller County fiscal year shall be subject to budget approval.

Any contract continuing as a result of an extension option, is contingent on the appropriation of funds from the relevant budget and fiscal year. If for any reason funds are not appropriated to continue the contract, said contract shall become null and void on the last day of the current appropriation of funds. After expiration of the contract, anything belonging to the Respondent shall be removed by the Respondent from County property without penalty of any kind or form to Waller County. All expenses and physical activity related to removal, uninstallation, pickup, and redelivery shall be the responsibility of the Respondent.

2.28 **General Bonding Requirements**: Respondent must provide any applicable performance and payment bonds as required by law, including Chapter 2253 of the Texas Government Code, or as requested by the County. Respondent must maintain appropriate and sufficient insurance, including without limitation such workers' compensation insurance as may be required by state or local law or policy, necessary to protect Respondent and the County from all claims for bodily injury, death, or property damage that might arise from the performance by Respondent or its employees or agents of any service under the Contract; however, the existence of such insurance does not relieve Respondent of full responsibility and liability for damages, injury, death, or loss as described or as otherwise provided by law. Within 30 days after signing of a contract and prior to beginning the actual work (whichever comes first) the Respondent shall provide the County with a performance bond and a payment bond in the amount of the contract. A surety company authorized to do business in this state shall execute these bonds. Bonds shall be delivered to the Waller County Auditor at 836 Austin Street, Suite 221, Hempstead, Texas 77445.

2.29 **General Obligations and Reliance**: The Respondent shall perform all services, as well as those reasonably inferable and necessary for completion of the services required hereunder. The Respondent shall keep the County informed of the progress and quality of the services. The Respondent agrees and acknowledges that the County is relying on the Respondent's represented expertise and ability to provide the services described herein. The Respondent agrees to use its best efforts, skill, judgment, and abilities to perform its obligations in accordance with the highest standards used in the profession and to further the interests of the County in accordance with the County's requirements and procedures. The Respondent's duties, as set forth herein, shall at no time be in any way diminished by reason of any approval by the County, nor shall the Respondent be released from a liability by reason of such approval by the County. It is understood that the County at all times is ultimately relying upon the Respondent's skill and knowledge in performing the services required hereunder.

2.30 **<u>Governing Forms</u>**: In the event of any conflict between the terms and provisions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, Waller County's interpretation shall govern.

2.31 **<u>Governing Law</u>**: This RFQ is governed by the requirements of the Professional Services Procurement Act, Chapter 2254 of the Texas Government Code. Respondents shall comply with all applicable federal, state, and local laws and regulations. The Respondent is further advised that these requirements shall be fully governed by the laws of the State of Texas and that Waller County may request and rely on advice, decisions, and opinions of the Attorney General of Texas and the Waller County Criminal District Attorney concerning any portion of these requirements.

2.32 **<u>Governmental Immunity</u>**: The County does not waive, modify, or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas or under the laws of the United States.

2.33 **<u>Gratuities/Bribes</u>**: Respondent certifies that no bribes in the form of entertainment, gifts, or otherwise were offered or given by the Respondent, its agent, or representative to any County officer, employee, representative, or elected representative with respect to this RFQ or any other contract with the County, and that if any such gratuity or bribe is found to have been made, this shall be grounds for voiding the contract.

2.34 **<u>Guarantees and Warranties</u>**: Respondent must not limit or exclude any implied warranties and shall extend such warranties on the awarded service(s) as are normally provided to other customers of Respondent. All services shall be performed in a good and workmanlike manner consistent with applicable professional standards.

Respondent may not limit or exclude any implied warranties. Any attempt to do so shall render the Contract voidable at the option of the County.

2.35 **<u>Hold Harmless Agreement</u>**: Successful Respondent shall defend, indemnify, and save harmless Waller County and all its officers, agents, and employees from all suits, actions, or other claims of any character, name, and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful Respondent, or of any agent, employee, subcontractor, or supplier in the execution of, or performance under, any contract which may result from Contract award. Successful Respondent shall pay any judgment with cost which may be obtained against Waller County growing out of such injury or damages.

2.36 **Indemnification**: Respondent agrees to defend, indemnify, and hold harmless the County, its officials, officers, agents, employees, and representatives from and against all third-party claims, actions, suits, liability, liens, loss, and damage of any character, type, or description, including without limitation all expenses of litigation, court costs and attorney's fees, arising out of or related to (1) injury or death to any person or damage to any property related to the acts of Respondent or its agents, subcontractors, employees, or representatives in the execution of or performance under the Contract; and (2) Respondent's negligent misconduct, breach of contract, or other failure to comply with its obligations in the execution or performance under the Contract. The Respondent's duty to defend, indemnify, and hold the County harmless shall be absolute. It shall not abate or end on the expiration or termination of the Contract unless otherwise agreed to by the County in writing. The provisions of this section shall survive the termination of the Contract and shall remain in full force and effect with respect to all such matters concerning the performance of the Respondent arising under or related to the Contract, no matter when they arise.

The Respondent shall indemnify the County in the event the County is found to have been negligent for having selected the Vendor to perform the work described in this RFQ. The Respondent's provision of insurance shall not limit the liability of the Respondent under the Contract.

2.37 **Information Acquired Through Work**: Respondent expressly agrees that it will not use any direct or incidental confidential information that may be obtained while working in a governmental setting for its own benefit, and agrees that it will not access non-public areas or confidential information without authorization. Respondent agrees it will not disclose any information to unauthorized third parties, and will take care to guard the security of the information at all times.

2.38 **Insurance**: Any Respondent that conducts business with Waller County, whether it is for goods and/or services, shall secure and maintain, throughout the duration of the Contract, insurance of such types and in such amounts as may be necessary to protect the Respondent and the County against all hazards or risks of loss associated with the Respondent's performance of the Contract. The form and limits of such insurance, together with the insurer, shall be acceptable to the County. It shall be the responsibility of the Respondent to maintain adequate insurance coverage at all times. Failure of the Respondent to maintain adequate coverage shall not relieve the Respondent of any contractual responsibility or obligation; however, such failure shall be grounds for the County to terminate the Contract in its discretion.

2.39 **Intellectual Property Infringement**: Without limiting the scope of the Indemnification section of these Terms and Conditions, if any claim is asserted, or action or proceeding brought against the County that alleges that all or any part of the services supplied by Respondent, in the form supplied or modified by Respondent, or its subcontractors pursuant to Respondent's sole directions, infringes or misappropriates any United States intellectual property, intangible asset, or other proprietary right, title, or interest (including, without limitation, any copyright or patent or any trade secret right, title, or interest), or violates any other contract, license, grant, or other proprietary right of any third party, the County, upon its awareness, shall give Respondent prompt written notice thereof.

Respondent shall, at its own expense, defend and hold the County harmless against any such claim or action where the County is made a defendant, and shall indemnify the County against any liability, damages, and costs resulting from such claim, including attorney's fees, whether the infringement or misappropriation is actual or alleged. Respondent further agrees to pay and discharge any and all judgments or decrees which may be rendered in any such suit, action, or proceeding.

If any such suit arises from such a claim, the continued use of the product for the purpose intended is enjoined by any court of competent jurisdiction, Respondent shall, at its expense and option, either (1) procure for the County the right to continue using the product, (2) modify the product so that it becomes non-infringing, (3) replace the product or portions thereof so that it becomes non-infringing, or (4) allow the County to return the product or cancel the service and refund the purchase price.

2.40 **Interpretation**: This writing is intended by the parties as a final expression of their agreement and a complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties and no usage of the trade is relevant to supplement or explain any terms used in the Contract. Acceptance or acquiescence in a course of performance rendered under the Contract is not relevant to and does not determine the meaning of the Contract even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection.

The County is the final judge of the meaning of any word(s), sentence(s), paragraph(s), or other parts of the RFQ documents. Respondents are encouraged to seek clarification before submitting a Response of any portion of the RFQ which appears to be ambiguous, unclear, inconsistent, or otherwise in error. Any clarification will be issued in writing.

2.41 **Invoices and Payment**: Respondent shall, at the appropriate times, submit an original invoice for each delivery and/or negotiated project milestone that requires payment. Invoices must include (1) the Respondent's name and address, (2) the County's name and address or delivery location, (3) the contract number, (4) the name of the project, and (5) be itemized. Itemizations for milestone(s) associated with the invoice must include a detailed description of the service(s), and a written certification that all aspects of that particular milestone have been successfully completed, delivered, and approved by the Waller County Auditor or approved agent in accordance with contract requirements.

Invoices shall be mailed to: Waller County Treasurer
425 FM 1488, Suite 102
Hempstead, TX 77445

Prior to any and all payments made for services provided under Contract to the Respondent, the Respondent shall provide its current W-9 "Request for Taxpayer Identification and Certification." This information must be on file with the Waller County Auditor's Office. Failure to provide this information may result in a delay in payment and/or back up withholding as required by the Internal Revenue Service.

Any invoice, which cannot be verified by the contract price and/or is otherwise incorrect, will be returned to the Respondent for correction.

Payment to Respondent is due after the County's receipt and acceptance of service(s) and the documentation identified above, including a complete and correct invoice, in accordance with the Prompt Payment Act, Chapter 2251 of the Texas Government Code.

The County's obligation to Respondent is payable only and solely from funds available for the purpose of the purchase. The laws of the State of Texas prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Anticipated orders or other obligations that may arise past the end of the current Waller County fiscal year shall be subject to budget approval.

This RFQ or Contract may be terminated by the County without notice and without penalty or liability in the event that (1) the County lacks sufficient funds for this agreement; (2) funds for this agreement are not appropriated by Waller County Commissioners' Court; and (3) funds for this agreement that are or were to be provided by grant or through an outside service are withheld, denied, or are otherwise not available to the County.

All payments made to Waller County shall be made by the 15th of the month.

2.42 **Labor and Materials**: Unless otherwise provided in the Contract Documents, the Respondent shall provide and pay for work, materials, equipment, and other facilities and services necessary for proper provision of the Services.

2.43 **Late Responses**: Responses received in the Waller County Clerk's Office after the submission deadline will not be accepted. It is the responsibility of the Respondent to ensure their Response is delivered to the Waller County Clerk's Office prior to the submission deadline. The time and date stamped by the Waller County Clerk's Office shall be the official time of receipt.

2.44 **Legal Liability Information**: The Respondent shall disclose all legal liability information by listing any pending or anticipated litigation that it is involved in, including but not limited to, potential or actual legal matters with private parties and any local, state, federal, or international governmental entities. Respondent shall disclose if they are the target or subject of any investigation, accusation or charges by any federal, State or local law enforcement, licensing or certification body.

2.45 **No Reimbursement**: Respondent understands and acknowledges that the County will not reimburse or pay Respondent any expenses Respondent incurs in preparing its Response or providing additional information required in connection with the Response.

2.46 **Non-Violation of Anti-Trust Laws**: The Respondent certifies that they have not violated the antitrust laws of this state codified in Texas Business and Commerce Code, Chapter 15, as amended, or the federal antitrust laws, and has not communicated directly or indirectly the Response made to any competitor or any other person engaged in such line of business. Any or all Responses may be rejected if the County believes that collusion exists among the Respondent(s). Responses in which prices are included will be rejected.

2.47 **Notices**: Unless otherwise provided by this RFQ, any written notice or other communication required by the Contract or by law will be conclusively deemed to have been given and received on the third business day after such written notice has been deposited in the U.S. Mail, properly addressed, and with sufficient postage affixed thereto, provided that actual notice may also be given in any other manner used in commerce.

2.48 **Point of Contact**: The Waller County Auditor shall be the sole point of contact for any and all issues pertaining to this procurement and its process. The Waller County Auditor may designate an alternate point of contact for specific purposes. Contacting any County employee or representative other than the Waller County Auditor or their designated representative could result in disqualification. Do not rely on oral instructions or clarifications. Requests from interested Respondents for additional information or interpretation of the information included in the specifications should be directed in writing to the Waller County Auditor.

2.49 **Pricing**: The fee will be negotiated in accordance with the Professional Services Procurement Act (Tex. Govt. Code Ann. 2254). Once selected for negotiations, participant is to provide a fee schedule for the scope of services/work, including the number of hours. A breakdown of the estimated hours and billing rates shall be submitted for all auditors, partners, support staff and owners involved in the audit.

2.50 **Response Form**: A firm representative authorized to submit the Response and bind the company in a contract with the County must sign the Response cover sheet. Completion of this form is intended to verify that the Respondent has submitted the Response, is familiar with its contents, and has submitted the material in accordance with all requirements.

2.51 **Response Signatures**: Respondent must sign its Response in strict accordance with the County's instructions, including having a company representative duly authorized by Respondent to execute the Response. By signing, the signatory warrants that they have read and agree to the terms of the Response and are authorized to execute same as a legally binding act of Respondent. A facsimile or imaged signature is deemed an original.

2.52 **Remedies for Default and Termination of Contract**: Except as otherwise provided for in these Terms and Conditions, either the County or Respondent may terminate the Contract in whole or in part in the event of the other party's substantial failure to fulfill its obligations under the Contract through no fault of the terminating party; provided, however, that the defaulting party is given at least ten (10) business days prior written notice of the default and intent to terminate. Written notice shall be delivered by certified mail, return receipt requested, or other method that similarly documents receipt. To the extent that the default is capable of being cured, a ten (10) business day opportunity to remedy the default to the satisfaction of the terminating party may be provided to the defaulting party.

At the County's option, and in addition to any other remedies it may have available, the County may terminate the Contract if Respondent fails to adhere to or violates any of the provisions of these Terms and Conditions, including certifications. Grounds for termination include, but are not limited to the following:

1. Delivery of service(s) that fail to meet the specifications.
2. Delivery of service(s) that are substandard;
3. Failure to meet required delivery schedules;
4. Failure to timely supply the awarded services at the contract price;
5. Failure to provide, within a reasonable time and where required by the Contract or this RFQ, information reasonably requested by the County;
6. Respondent's refusal, inability or loss of ability, to offer or provide awarded services to the County unless caused by a Force Majeure event.

Notwithstanding any other provision of this section, in the event of Respondent's default under or breach of any provision of this Contract, the County reserves the right to enforce the performance of the Contract in any manner prescribed by law or deemed to be in the best interest of the County or necessary or appropriate to protect or provide the best services to the County.

In the event that the County terminates the Contract, the County reserves the right to award the terminated Contract to the next Respondent the County selects based on demonstrated competence and qualifications to perform the services for a fair and reasonable price.

The County may sue for breach of contract and specific performance and, in addition to contract damages, recover attorney's fees and costs. Respondent shall be liable for any and all damages permitted by law, and any deviation submitted by Respondent in its Response seeking to limit Respondent's liability to the County shall be deemed rejected.

The County will not be liable to Respondent for any damages, including but not limited to, loss of profits, loss of business, or any special, consequential, exemplary, or incidental damages resulting from termination based on Respondent's default or breach of contract.

If any delay or failure of performance is caused by a Force Majeure event described in these Terms and Conditions, the County may, in its sole discretion, terminate the Contract, provided such termination complies with the procedures set out above. Any Contract termination resulting from any cause other than a Force Majeure event will be deemed a valid reason for the County to not consider any future Responses from the defaulting Respondent.

2.53 **Remedies Cumulative**: The remedies available to the County under this RFQ or Contract are in addition to any other remedies that may be available under law or in equity.

2.54 **Required Licenses**: Respondent certifies that all members of the proposed Project Team hold all licenses required by the State of Texas for a provider of the services described by the Specifications herein.

2.55 **Requirements of the Texas Public Information Act; Confidential Information**: The requirements of Subchapter J, Chapter 552, Texas Government Code apply to this RFQ and any awarded Contract, and Respondent agrees that the Contract can be terminated if Respondent knowingly or intentionally fails to comply with a requirement of that subchapter.

Pursuant to Texas Government Code Sections 552.371 and 552.372, to the extent the Contract or any Purchase Order thereunder has a stated expenditure of at least $1 million in public funds for the purchase of goods or services by a governmental body or results in the expenditure of at least $1 million in public funds for the purchase of goods or services by a governmental body, Respondent shall:

(a) preserve all contracting information, as defined in Texas Government Code Section 552.003(7) ("Contracting Information"), related to the Contract or any Cooperative member Purchase Order thereunder, as provided by the records retention requirements applicable to the governmental body for the duration of the Contract;

(b) promptly provide to the County, as applicable, any Contracting Information related to the Contract that is in the custody or possession of Respondent on request of the County; and

(c) on completion of the Contract, either:

    i. provide at no cost to the County all Contracting Information related to the Contract that is in the custody or possession of the Respondent; or

    ii. preserve the Contracting Information related to the Contract as provided by the record retention requirements applicable to the County.

The County shall not accept a Response or award a Contract to a Respondent that the County has determined has knowingly or intentionally failed to comply with Texas Government Code Chapter 552, Subchapter J, in a previous Response or Contract unless the County determines and documents that Respondent has taken adequate steps to ensure future compliance of said Subchapter. The determination of whether the Respondent has taken adequate steps to ensure future compliance of said Subchapter is in the sole discretion of the County.

Respondents are cautioned to limit or avoid if possible including proprietary trade secret information within the Response. Privately held entities, whose financial information is not otherwise subject to public disclosure, may submit the required financial information in a separate, sealed envelope labeled with the Respondent's name, RFQ name and number, and a clear indication that the envelope contains CONFIDENTIAL INFORMATION.

Respondent must clearly identify information in the Response that Respondent considers proprietary or confidential. The County will treat such information as confidential only to the extent allowable under the Texas Public Information Act or similar applicable disclosure law.

Under no circumstance shall Respondent's entire Response, offers, or the majority of Respondent's technical responses be labeled proprietary or confidential.

If Respondent deems it necessary to include proprietary trade secret information in order to adequately respond to technical requirements, Respondent shall note the section as such and provide the information in a separate sealed envelope.

In addition, a proprietary and confidential matrix must be included that shows all items that are not in the main response and are indicated as proprietary and confidential.

If Respondent fails to properly identify the information, the County shall have no obligation to seek protection of such information from public disclosure. The County and its representatives and/or employees will not be responsible for Respondent's failure to clearly identify information Respondent considers confidential or proprietary.

The County will, to the extent allowed by law, endeavor to protect from public disclosure the information that has been identified and marked as proprietary. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. It is understood that the County, its officers, and employees shall have the right to rely on the advice, decisions, and opinions of the Texas Attorney General, and that the County, its officers, and employees shall have no liability or obligation to any party hereto for the disclosure to the public, or to any person or persons, of any items or data furnished to the County by a party hereto, in reliance on any advice, decision, or opinion of the Texas Attorney General.

2.56 **Right to Assurance**: Whenever the County in good faith has reason to question Respondent's intent to perform, the County may demand that the Respondent give written assurance of its intent to perform. In the event that a demand is made and no assurance is given within five (5) business days, the County may treat the failure as an anticipatory repudiation of the Contract.

2.57 **Right to Setoff**: Any indebtedness or obligation owed by Respondent or Respondent's affiliates to the County may be appropriated and applied by the County at any time, and from time to time, on any indebtedness or other obligation owed by the County to Respondent or Respondent's affiliates, whether such indebtedness or other obligations are now existing or hereafter arise, and whether under the Contract or otherwise. It is further understood and agreed that this right of setoff is in addition to, and not in lieu of, any other right, remedy, or recourse which is available to the County either at law or in equity, and that failure to exercise such right of setoff in any instance shall not constitute a waiver of such right.

2.58 **Schedule**: The successful Respondent will be responsible for preparing, maintaining, and updating the official detailed project schedule from start to finish. The Respondent, after being awarded the Contract, shall submit for the County's information the Respondent's schedule for the work. The schedule shall not exceed time limits stated in the Contract Documents and shall be updated at appropriate intervals as required by the conditions of the work.

2.59 **Severability**: If any section, subsection, paragraph, sentence, clause, phrase, or word of these requirements or the specifications shall be held invalid, such holding shall not affect the remaining portions of these requirements and the specifications, and it is hereby declared that such remaining portions would have been included in these requirements and the specifications as though the invalid portion has been omitted.

2.60 **Silence of Specification**: The apparent silence of these specifications 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 professional standards are to prevail. All interpretations of these specifications shall be made on the basis of this statement.

2.61 **Sole Provider**: The Respondent agrees and acknowledges that it shall not be considered a sole provider of the service(s) described herein, and that the County may contract with other providers of such service(s) if the County deems, in its sole discretion, that multiple providers of the same service(s) will serve the best interest of the County.

2.62 **Statement of Inclusion/Applicability**: These Terms and Conditions apply to this RFQ and the Response to this RFQ, and are an integral part of any contract which is awarded in association with this RFQ.

2.63 **Substantial Completion**: Substantial completion shall not be achieved prior to final acceptance by the County.

2.64 **Taxes**: Waller County is a governmental entity exempt from paying taxes. Waller County will not pay any taxes from which it is exempt, including any bill through an invoice.

2.65 **Time for Acceptance**: The County's period for acceptance of any Responses will be at least ninety (90) calendar days from the Response Due Date.

2.66 **Time Periods**: If the conclusions of any time period provided for in these Terms and Conditions falls on a weekend or a federal, local, or state holiday, the conclusion of such time period is extended until the next business day.

References to days in these Terms and Conditions shall mean calendar days unless business days are specifically designated.

2.67 **Respondent Contact**: The Respondent shall identify one contact person for overall contract management relative to the Contract. Vendor shall remain responsible and liable for all of its obligations under the Contract.

2.68 **Venue**: This agreement will be governed and construed according to the laws of the State of Texas. This agreement is performable in Waller County, Texas. Any litigation arising from this Contract shall lie in Waller County, Texas.

2.69 **Waiver**: No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. The County's failure to require strict performance of any provision of the Contract does not waive or diminish the County's right thereafter to demand strict compliance with that or any other provision.

2.70 **Waiver of Subrogation**: Respondent and Respondent's insurance carrier waive any and all rights whatsoever with regard to subrogation against Waller County as an indirect party to any suit arising out of personal or property damages resulting from Respondent's, its employees', or subcontractors' performance under this Contract.

2.71 **Withdrawal of Response**: Respondent may withdraw a submitted Response prior to the Response Due Date and time specified in this RFQ. A request for withdrawal must be made in writing, and signed by an individual authorized to enter into contracts on Respondent's behalf and indicate the individual's title. Responses in the County's possession at the Response Due Date and time shall be deemed final, conclusive, and irrevocable. No Response will be subject to withdrawal, amendment, or correction after the Response Due Date and time specified in this RFQ. If a Response is withdrawn, it will not be considered by the County for award.

SECTION 3 SPECIFICATIONS

3.1 **Intent:** The Waller County Commissioner's Court wishes to engage an outside accounting firm to review the financial systems and internal controls of the county government. The purpose of the audit is to examine and report on the various funds and accounts and to render an opinion on Waller County's Financial Statements.

Pursuant to Texas Government Code, Chapter 2254, Subchapter A, Waller County is issuing this RFQ seeking input from qualified firms to perform financial audits starting in Waller County Fiscal Year 2025.

3.2 **Scope:** The review shall be made in accordance with generally accepted auditing standards and prescribed by the American Institute of Certified Public Accountants applicable to general governments, and taking into consideration the federal and state regulations under which the County operates to determine if the County is in compliance with those guidelines.

This examination is to be conducted in accordance with generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants and in accordance with the laws of the State of Texas. These standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

The examination is to include all funds, entities, account groups, component units, and grants associated with Waller County. Auditors will be responsible for final compilation, preparation, and reproduction of an Annual Comprehensive Financial Report (ACFR), which is to include supplemental statistical data. The county will provide trial balances and certain statistical data for the basis of the report. The audit is to include a report on internal control and compliance as required by Governmental Auditing Standards.

Waller County may be required to undergo an annual single audit in conformity with Title 2 of the US Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

A single audit of grants must be performed in conjunction with the financial audit if the audit firm determines that the County meets the requirements.

3.3 Project Information

Accounting System: Waller County's accounting and financial reporting functions are centralized in the County Auditor's Office. The financial reporting and accounting system is Incode 10 by Tyler Technologies. Cash receipts are decentralized into various offices and departments. The following modules are in use:

1. General Ledger
2. Accounts Payable
3. Purchasing
4. Fixed Assets
5. Payroll/HR
6. Cashiering
7. Bank Reconciliation
8. Budget

Basis of Accounting: Government-wide financial statements are prepared on the accrual basis of accounting. Fund financials are modified accrual. Waller County's policy is to apply all financial accounting based on GASB standards.

In accordance with Statement 34 of the Governmental Accounting Standards Board (GASB 34), basic financial statements, and Management Discussions Analysis for State and Local Governments , the County's government-wide financial statements include a statement of net assets, and statement of activities.

Budget: Waller County's budget for 2024 was $64,541,537, and was made up of the following tax-based funds:

1. Road & Bridge-$14,782,435
2. General-$42,994,900
3. Debt service-$6,764,201

The County's budget is prepared on a basis consistent with generally accepted accounting principles. Prior year budgets and audit reports can be found on the county website at: https://www.co.waller.tx.us

Fund Types: Waller County uses the following fund types:

1. General fund
2. Special revenue funds
3. Debt service funds

4. Capital project funds
5. Agency funds
6. Road & Bridge fund
7. Private purpose trust funds

Additional Information: The following are Waller County's primary governmental activities of accounts:
1. Judicial
2. Public safety
3. Financial administration
4. Legal
5. Non-departmental
6. Health and welfare
7. Culture
8. Public transportation
9. General Government

The Waller County Treasurer's office manages the County's payroll of approximately 400 employees on a bi-weekly basis.

Employees participate in the Texas County and District Retirement System. The Commissioner's Court establishes the level of participation annually. Participation in the plan is required. Actuarial services for the plan are provided by the Texas County and District Retirement System.

An organizational chart and list of key personnel with location of their principal offices will be supplied upon request.

The County Auditor will coordinate the audit for the county. Personnel will be available to the external auditor for the purpose of pulling invoices, directing external auditors to proper files, and for explaining procedures.

Work areas with Wi-Fi access will be made available to external auditors.

Waller County has not purchased software to assist with GASB 87 & 96, so assistance with compliance with GASB 87 & 96 reporting will be needed.

3.4 Statement of Work:

Audit Period: The periods to be audited shall be Waller County's fiscal years. Waller County's fiscal year is January 1 through December 31. Audits must be complete, and an electronic report issued by mid-June of the year following the fiscal year subject to the audit. Preferred start date for audit fieldwork is approximately mid-March or April in the year following the fiscal year to be audited.

Audit Report Requirements: Audit reports should be addressed and contain the following information at a minimum:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on the internal control structure based on the auditor's understanding and assessment of control risks.
3. An "in-relation-to" report on the schedule of federal financial assistance and a report on internal controls used in administering these programs.
4. A report on compliance with laws and regulations related to major and non-major federal assistance programs. This report should include an opinion on compliance with specific requirements applicable to major federal financial assistance programs.
5. A report on compliance with applicable laws and regulations.
6. A report in accordance with the provisions of the Texas Local Government Code, Title 10, 2256.23(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 in management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such as 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.

Irregular and Illegal Acts: Auditors shall be required to make an immediate, written report to the County of all irregularities and illegal acts or indications of illegal acts of which they become aware. Auditors shall inform the County 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. Difficulties encountered in performing the audit.

Auditing Standards: This audit shall be performed in accordance with the following and any other applicable State and Federal Laws including but not limited to:
1. Generally Accepted Auditing Standards
2. The standards set forth for financial audits in the US General Accounting Offices, Government Auditing Standards.
3. State and Federal Single Audit Act, Circular A-133
4. Governmental Accounting Standards Board (GASB)
5. Texas Local Government Code, Title 10, 2256.023 (d)

Vendor Requirements: Prospective vendors for this project shall:

1. Have the capability to perform all or most aspects of the project, and have recent experience in projects comparable to the proposed task.
2. Have the capability to meet schedules and deadlines.

Conferences and Reporting: At a minimum, the following conferences should be held:

1. Entrance conference with County Auditor and designated staff.
2. Entrance conference with key finance department personnel and department heads or key offices or programs.
3. Progress conference with County Auditor, designated staff and department heads (if applicable).
4. Exit conference with County Auditor, designated staff and department heads of key offices or programs (if applicable).

3.5 **Qualification and Response Requirements:** Qualified professional firms interested in responding to this RFQ must include the following information in its Response. All information should be current within the past twenty-four (24) months.

Firm Information:

1. Company name, address and contact information.
2. The history and size of the firm.
3. The name and title of the person authorized to contractually obligate the firm's company with regard to future negotiations; if any.
4. In accordance with Section 2.44, state information on any lawsuit the firm has been involved in within the last five (5) years.
5. The firms audited financial statement (please note this will remain confidential in accordance with Section 2.55).
6. A listing of all county government clients the firm has worked with during the last four years, particularly in auditing Counties of Texas.

Audit Staff Assigned to Project:

1. Identify the responsible partner(s) and probable staff that will be working on this project.
2. Include resumes for each staff member, and any relevant audit experience working with county government.

Audit Approach:

1. Clearly describe the firm's approach to conducting the audit(s).
2. Include a tentative work plan.
3. In accordance with Section 2.20 Deviations, state any exceptions to any of the requirements in this RFQ; if any.
4. Provide an affirmative statement that the firm is independent of the County as defined by generally accepted auditing standards/the U.S. General Accounting Office's and Government Auditing Standards.
5. Include a brief discussion of the tasks or steps that the consultant will take to accomplish the work described.

Documents: Respondent must include the following documents in their response:

1. appropriate licensing information for applicable staff
2. an insurance certificate or a statement from Respondent's insurer verifying

Respondent's insurance coverages.

3. an affirmative statement that the firm and all assigned key professional staff are properly registered/licensed to practice in Texas.

References: Each Respondent shall include a minimum of five (5) references from clients Respondent has performed like services for, and include contact information for each reference.

Only Respondents with proven experience in this field will be considered.

3.6 **Implementation Plan:** Provide a narrative description and proposed timeline for the implementation of the required service(s). At a minimum the implementation plan shall include the topics identified in **RFQ Section 3.4: Statement of Work**. The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this request. In developing the work plan, reference should be made to such sources of information as the Office's

3.7 **Anticipated Schedule of Events**

Solicitation Release Date	Wednesday, February 5, 2025
Deadline for Submittal of Written Questions	Friday, February 19, 2025 by 10:00 AM (CST)
County Issues Addendum (If Necessary)	Wednesday, February 26, 2025
Sealed Submittal Packets Due	Wednesday, March 5, 2025 by 10:00 AM (CST)
Scoring Committee Review Date	Thursday, March 6, 2025
Recommendation of Award	Wednesday, March 19, 2025

Note: all dates subject to change based on the needs of Waller County.

3.8 **Contract Term:** The initial Contract term is anticipated to be for a period of three (3) years. Annual engagement letters will be utilized to allow for annual flexibility. Any proposed fee should be submitted based on a three (3) year commitment. There will be two (2) one-year options to renew the Contract, subject to approval by the Waller County Commissioner's Court.

3.9 **Evaluation Process and Criteria:** After opening of submissions, an evaluation committee will score and rank the returns based on the criteria listed below to determine the most highly qualified firm. After a short list has been determined, the committee may interview some or all of the top ranked firms. The Respondent(s) with the highest scores may be invited to prepare a Best and Final Offer for consideration by the evaluation committee. The evaluation committee will determine the most highly qualified firm based on the information submitted and will begin contract negotiations. If a contract cannot be negotiated with the highest ranked firm, then the County will formally end negotiations and will notify the second ranked firm for negotiation, and so on. Waller County reserves the right at its sole discretion to determine if pursuing contract negotiations is in the best interest of the County. The County is under no obligation to pursue contract negotiations with any firm.

During the evaluation process the county may, at its discretion, request one or all of the firms to make oral presentations. The County also reserves the right to request additional information or clarifications from proposers or to allow corrections of errors or omissions as deemed in the best interest of the County. Waller County reserves the right at its sole discretion to determine if presentations are in the best interest of the county and is under no obligation to request presentations from any Respondent. Waller County reserves the right to request presentations from one or all firms.

Waller County reserves the right at its sole discretion to determine the process for proposal evaluation and may elect to accelerate the evaluation process by combining or eliminating any or all of the evaluation phases. Waller County reserves the right without prejudice to reject any or all submittals to this RFQ.

Evaluation Criteria:

1. Qualifications and Experience of the Firm/Respondent	25 points
2. Qualifications and Experience of the Firm's staff assigned to the audit, to include work related with similar projects for County Government Entities	25 points
3. References from past county clients	15 points
4. Audit approach to provide the required services	25 points
5. Overall completeness of submission	10 points

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REQUEST FOR QUALIFICATIONS (RFQ) ADDENDUM 1

Financial Audit Services for Waller County - RFQ# 250205-31

(Q1) Has the County encountered any significant or unusual difficulties over the past three years with the financial or single audits (with the current auditors, financial records, compliance with laws and regulations, etc.)?

(A1) The County has not encountered any significant or unusual difficulties over the past three years with either the financial or single audits.

(Q2) What is the main driver of going out for bid for these services (part of your normal business planning, wanting new auditors, etc.)?

(A2) The County is seeking proposals from qualified firms pursuant to Texas Government Code Chapter 2254 because the firm previously used by the county has ceased operations.

(Q3) Do you anticipate that the current audit firm will propose? If not, why?

(A3) Please refer to response A2 provided for Q2.

(Q4) Is there a reason that the 12/31/24 audit has been delayed?

(A4) The 12/31/24 audit has not been delayed. The Waller County fiscal year is January 1 - December 31.

(Q5) What are the timeline expectations for the issuance of the audit reports (for the 12/31/24 reporting period)?

(A5) For Waller County fiscal year 2024 (January 1, 2024 – December 31, 2024), the County expects the audit reports to be issued by mid-June of 2025 (see Section 3.4 – Statement of Work which states the audits must be complete by mid-June of the year following the fiscal year subject to the audit). The County may negotiate the timeline for issuance of the audit reports for fiscal year 2024; however, the single audit for fiscal year 2024 must be submitted and presented to the Commissioners Court no later than September 2, 2025.

(Q6) Does the County expect any significant turnover in key positions during the contract term (retirement, etc.)?

(A6) The County does not expect significant turnover in key positions during the contract term, but makes no guarantee.

(Q7) Does the County anticipate any significant changes to its financial accounting software over the contract term?

(A7) The County does not anticipate any significant changes to its financial accounting software over the contract term, but makes no guarantee.

(Q8) What were the total audit fees for the last three reporting periods?

The approximate total fees for the financial and single audits for the last three reporting periods are as follows:

Fiscal Year 2021 - $67,250
Fiscal Year 2022 - $74,000
Fiscal Year 2023 - $80,000

(Q9) Can a list of auditors adjusting entries be provided for the most current financial audit?

(A9) Yes, the auditors adjusting entries for the most current financial audit are at the end of this addendum.

(Q10) Does the County use a portal to share work papers with its audit firm? If not, are you open to using such a tool?

(A10) The County has not previously used a portal to share work papers with its audit firm. The County is open to sharing work papers through a portal.

(Q11) How does the County feel about onsite vs remote vs hybrid audit work? Is there a preference?

(A11) The County generally prefers onsite audit work, and requires it for the first year of engagement. The County may be open to discussing other options after the first year of engagement.

(Q12) Is the County expecting any new grant significant awards in the next 3-5 years?

(A12) The County does not expect any new significant grant awards in the next 3-5 years, but makes no guarantee.

(Q13) Does the County expect to need a single audit for the 12/31/24 reporting period?

(A13) Yes, the County is required to perform a single audit for fiscal year 2024.

(Q14) Are you able to provide the FY23 governing body letter (or information related to any recommendations) and auditors adjusting entries?

(A14) The County did not receive a management letter for the fiscal year 2023 audit. The auditors adjusting entries for the most current financial audit are at the end of this addendum.

(Q15) Was the single audit in FY23 related to pandemic programs?

(A15) Yes, the major program for fiscal year 2023 was the American Rescue Plan Act (ARPA).

(Q16) When were prior auditors onsite for audit work?

(A16) Auditors were typically onsite beginning in mid-May, and continuing until the end of June. Auditors typically requested documents prior to May to begin taking audit samples.

(Q17) When did prior auditors make presentation of audit to Commissioners' Court?

(A17) Prior auditors typically made the presentation of their audit to the Commissioners Court in August or early September.

(Q18) Under AICPA Ethics Ruling 102, Indemnification of a Client, indemnifying the client for damages, losses, or costs arising from lawsuits, claims, or settlements that relate, directly or indirectly, to client acts impair independence. Pages 12-13 of the RFQ contain indemnity verbiage that may impair independence when providing auditing services. Will there be an opportunity to discuss and negotiate indemnities to ensure conformance with AICPA Ethics Ruling 12?

(A18) Yes, there will be an opportunity to discuss and negotiate indemnities to ensure conformance with AICPA Ethics Ruling 12.

Q19) Will a printed scanned copy of the blue ink wet signature version (along with three copies) suffice? Also, do all the documents need a wet signature or just the cover letter and 1295?

A19) The RFQ does not require a wet signature, only that one copy be signed in blue ink, including the required forms. A scanned color copy of a blue ink signature is acceptable.

Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

April 16, 2025

Waller County, Texas
425 FM 1488
Hempstead, TX 77445

Dear Commissioners' Court:

You have requested that we audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Waller County, Texas, as of December 31, 2024, and for the year then ended and the related notes to the financial statements, which collectively comprise Waller County's basic financial statements as listed in the table of contents.

In addition, we will audit the County's compliance over major federal award programs for the period ended December 31, 2024 (if necessary based on state and federal expenditures). We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit and an opinion on compliance regarding the County's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS), and in accordance with *Government Auditing Standards*, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the County complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting standards generally accepted in the United States of America require that required supplementary information (RSI), such as management's discussion and analysis (MD&A) and budgetary comparison information, be presented to supplement the Waller County' basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Waller County RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis
2) The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund (and all major special revenue funds with legally adopted budgets)
3) Schedules of Retirement Plan in relation to GASB 68

Supplementary information other than RSI will accompany Waller County's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1) Comparative Balance Sheet and Statements of Revenues, Expenditures and Fund Balance – Major Funds
2) Combining and Individual Fund Statements – Nonmajor Funds
3) Combining Statements of Changes in Assts and Liabilities for All Agency Funds
4) Schedule of Expenditures of Federal Awards

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Auditors Responsibilities

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS and, in accordance with Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Waller County's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, detected abuse, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of Waller County's basic financial statements. Our report will be addressed to the governing body of Waller County. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of Waller County's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the County's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and in accordance with Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the County's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the County's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the County's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the County's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. For identifying all federal awards expended during the period including federal awards and funding increments received prior to December 26, 2014, and those received in accordance with the Uniform Guidance generally received after December 26, 2014;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenses of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance requirements;

6. For the design, implementation, and maintenance of internal control over compliance;
7. For identifying and ensuring that the County complies with laws, regulations, grants, and contracts applicable to its activities and its federal award programs;
8. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant vendor relationships where the vendor is responsible for program compliance;
15. To provide us with:
    a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
    b. Additional information that we may request from management for the purpose of the audit;
    c. Unrestricted access to persons within the County from whom we determine it necessary to obtain audit evidence;
    d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
    e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
19. For informing us of any known or suspected fraud affecting the County involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
20. For the accuracy and completeness of all information provided;
21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

With respect to any nonattest services we perform:

At the end of the year, we agree to perform the following:

- Propose adjusting or correcting journal entries to be reviewed and approved by the County's management.
- Prepare a draft annual report for review by the County's management.
- Assist with accrual and government-wide entries.

We will not assume management responsibilities on behalf of the County. However, we will provide advice and recommendations to assist management of the County in performing its responsibilities.

The County's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Fees and Timing

We anticipate conducting fieldwork in May/June and issuing a report for management's review in July.

Deborah F. Fraser is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Armstrong, Vaughan & Associates, P.C.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. We estimate that our fee for the audit will be between $72,000 - $75,000 and $3,000 for single audit. If there should be more than two programs tested, there will be an additional fee of $1,500 per program. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use Waller County's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

The audit documentation for this engagement is the property of Armstrong, Vaughan & Associates, P.C. and constitutes confidential information. However, we may be requested to make certain audit documentation available to state regulators, federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Armstrong, Vaughan & Associates, P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the County Commissioners the following significant findings from the audit:

- Our view about the qualitative aspects of the County's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes, before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

We appreciate the opportunity to be of service to the Waller County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Respectfully,

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

RESPONSE:

This letter correctly sets forth the understanding of the Waller County.

By: ____

Title: ______________________________________Date: _______________________

WILF & HENDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
Member of American Institute of Certified Public Accountants
Member of Private Company Practice Section
Member of AICPA Governmental Audit Quality Center

Report on the Firm's System of Quality Control

September 15, 2023

To the Shareholders of Armstrong, Vaughan & Associates, P.C.
and the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Armstrong, Vaughan & Associates, P.C. (the firm) in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards,* including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

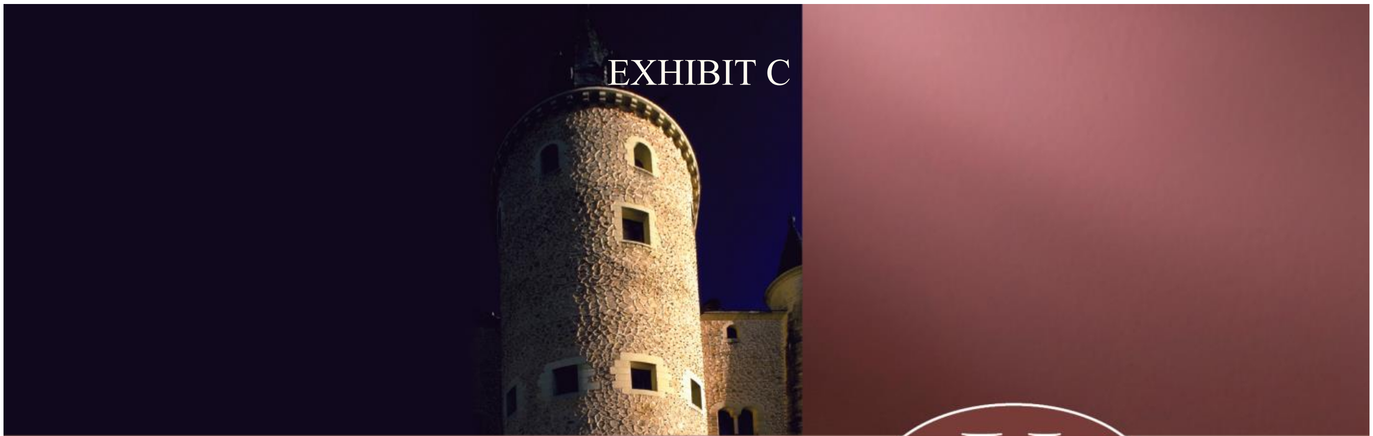
In our opinion, the system of quality control for the accounting and auditing practice of Armstrong, Vaughan & Associates, P.C. in effect for the year ended March 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Armstrong, Vaughan & Associates, P.C. has received a peer review rating of *pass*.

Wilf & Henderson, P.C.

Wilf & Henderson, P. C.

1810 Galleria Oaks • Texarkana, Texas 75503 • 903.793.5646 • Fax 903.792.7630 • www.wilhen.com

EXHIBIT C



WALLER COUNTY, TEXAS

Qualifications For Financial Audit Services

Request for Qualifications No. 250205-31

March 5, 2025

Deborah F. Fraser, CPA, CGMA
debbie@avacpa.com

Armstrong, Vaughan & Associates, P.C.
Certified Public Accountants

941 W Byrd Suite 101, Universal City, TX 78148
210-658-6229

PROPOSAL FOR FINANCIAL AUDIT SERVICES
WALLER COUNTY, TEXAS

TABLE OF CONTENTS

March 5, 2025

Waller County, Texas
Debbie Hollan
Waller County Clerk
425 FM 1488, Suite 112
Hempstead, Texas 77445

We are pleased to submit a proposal to provide audit services in accordance with Government Auditing Standards to the Waller County, Texas, to include a single audit (if necessary) and preparation of the annual financial report within the time period specified in the Request for Proposal.

We are a San Antonio based firm that has identified the government client as a niche to whom we can provide superior services. Toward that end, we have invested a major portion of our resources in providing services to that market through staff training and retaining experienced and qualified personnel. Our success has been a direct result of our focus on quality service. The most convincing evidence of the quality of our services is the recommendations from our clients. We urge you to contact any of the representatives listed in this proposal.

We deliver our service by giving attention to each client's individual needs; having our most qualified people (the partner-in-charge) directly involved in field work; and being sensitive to the disruption of your workplace. Deborah Fraser (audit partner) will lead the audit team for the Waller County, Texas and would be assisted by Karl Goering (audit manager), Nicolas Serenil (audit staff) and two additional staff members. She will be the main point of contact and will direct all staff. Phil Vaughan will provide second-partner and quality control reviews.

Deborah Fraser, CPA, CGMA serves as Director of Nonprofit Services for the Firm and has thirty-one years' experience providing audit and accounting services to nonprofit and local government entities, three (3) years as CFO of SER, Jobs for Progress, a sub-recipient of Alamo Work Source, which enabled her to gain knowledge and experience of State, Federal and the Local Workforce Development System and two (2) years as a consultant for a Governmental/Nonprofit accounting software firm.

Phil Vaughan, CPA, CGMA serves as Director of Governmental and Educational Services for the Firm and has eighteen years' experience providing audit services to government and government-related clients. Phil earned a degree with highest honors from Colorado School of Mines in 2005 and a Master of Science in Accounting from UTSA in December 2008. Phil was also honored as one of the top ten CPA candidates in the State of Texas in May 2009. Phil leads the firm's membership in the Government Audit Quality Center and is a member of the Government Finance Officers Association. He also participates in the GFOA Special Review Committee.

Both Deborah and Phil have personally conducted numerous audits under the Single Audit Act and assisted clients in achieving the *Certificate of Achievement for Excellence in Financial Reporting* awarded by the Government Finance Officers Association.

Armstrong, Vaughan & Associates, P.C. has been a member of the AICPA Quality Review Program since January 1989. As accountants committed to offering the highest degree of quality service possible, we have taken steps to ensure we are in compliance with AICPA Quality Standards. We perform an annual inspection in-house to ensure compliance, as well as an independent peer review at least every three (3) years. Our most recent review on September 15, 2023 resulted in a peer review rating of "pass." A copy of the report is included later in this proposal.

AVA is also a member of the Government Audit Quality Center.

The enclosed proposal is a firm and irrevocable offer to provide financial audits for the Waller County, Texas. This proposal will remain a firm offer for 90 days from the date of this proposal. Deborah F. Fraser, CPA, CGMA is authorized to enter into engagement agreements on behalf of the firm.

Again, we appreciate the opportunity to offer services to the Waller County, Texas and urge you to call us if you should need additional information. You may also visit our website at www.avacpa.com.

Respectfully,

Deborah F. Fraser, CPA, CGMA

Deborah F. Fraser, CPA, CGMA
Shareholder

AICPA®

Governmental Audit Quality Center

GENERAL REQUIREMENTS

OUR UNDERSTANDING OF YOUR NEEDS

We will provide the following services:

- Annual audit in accordance with *Generally Accepted Government Auditing Standards*, established by the AICPA.
- Provide audit services of federal awards to satisfy Uniform Guidance requirements, if necessary.
- Assistance with the preparation of the annual comprehensive financial report.

The timing of these services is to be provided on the following anticipated schedule:

- On-site fieldwork (approximately 3-5 business days) May 2025
- Draft report provided to management for review June2025
- Final reports presented to Commissioners' June/July 2025

These services are based upon the engagement organizer and trial balances being sent one week before fieldwork begins, as well as properly reconciled bank statements and investments.

INDEPENDENCE

Armstrong, Vaughan & Associates, P.C., as well as all professional and support staff, are independent of Waller County, Texas and its component units. No one in our firm has a relationship with a member of the County or employee of the County that would impair his/her independence as defined by generally accepted auditing standards and the most recent U.S. General Accounting Office's *Government Auditing Standards*. In addition, we have had no professional relationships with the County. Should a professional relationship be entered into with the County during the period of this agreement, we will provide written notice of such a relationship immediately.

LICENSE TO PRACTICE IN TEXAS

Armstrong, Vaughan & Associates., P.C., is licensed to practice in the State of Texas under license number C03094-001. Additionally, all employees of the firm who are certified public accountants are licensed to practice within the State of Texas. The firm is not under any public or private reprimand by the Texas State Board of Public Accountancy, or any other licensing board. No disciplinary actions have been imposed by the AICPA, Texas State Board of Public Accountancy, Texas Society of CPAs or SEC during the past three years.

FIRM QUALIFICATIONS AND EXPERIENCE

FIRM PROFILE

AVA was established in 1978 in Universal City, Texas, (a suburb of San Antonio) where it still operates. Current shareholders include Deborah Fraser and Phil Vaughan. Two-thirds of the Firm's practice is dedicated to audit and assurance services with nonprofit and governments making up almost half of those services. Professional staff consists of four partners, two senior managers, three managers, eight seniors, twelve staff. The governmental audit staff consists of three partners, one senior, two managers, five seniors and 10 staff. AVA has not had any contracts canceled or terminated for unsatisfactory performance in any respect, nor do we have any legal proceedings related to any municipal client.

PEER REVIEW

Armstrong, Vaughan & Associates, P.C. has been a member of the AICPA Quality Review Program since January 1989. As accountants committed to offering the highest degree of quality service possible, we have taken steps to ensure we are in compliance with AICPA Quality Standards. We perform an annual inspection in-house to ensure compliance, as well as an independent peer review at least every three (3) years. Our most recent review in September 2023 resulted in a rating of "pass" (see copy of report included below).

WILF & HENDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
Member of American Institute of Certified Public Accountants
Member of Private Company Practice Section
Member of AICPA Governmental Audit Quality Center

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September 15, 2023

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Peer Reviewer's Responsibility

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Required Selections and Considerations

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As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

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Wilf & Henderson, P.C.

Wilf & Henderson, P. C.

1810 Galleria Oaks • Texarkana, Texas 75503 • 903.793.5646 • Fax 903.792.7630 • www.wilhen.com

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

CONTINUING PROFESSIONAL EDUCATION

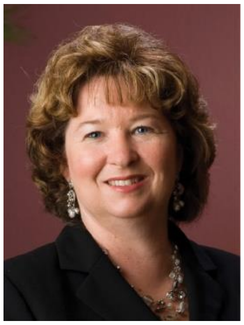
The firm is committed to professional development of all staff in governmental auditing and accounting. The personnel assigned to government engagements are required by firm policy to meet or exceed government auditing standards regarding continuing education. Therefore, each licensed, professional staff is required to have a minimum of eighty (80) hours of continuing professional education in accounting and auditing every two years, twenty-four (24) hours specific to governmental auditing and reporting. The majority of the Firm's auditing continuing education is centered around government accounting and auditing.

PROPOSED AUDIT TEAM

The proposed audit team for the Waller County, Texas will be made up of Deborah Fraser, CPA, CGMA, (partner in charge), Karl Goering, CPA (audit manager), Nicolas Serenil (audit staff) and two additional staff, if needed. Phil Vaughan, CPA, CGMA, will provide second-partner quality control review. We strive to maintain staff continuity and do this by making the partner-in-charge the main contact point and directly involved in fieldwork. County staff will be dealing directly with the partner-in-charge and Manager all the way through the audit process.

On multi-year engagements, we strive to maintain continuity in our audit teams by minimizing rotation. This allows for efficiency gains in subsequent years. However, we will accommodate requests from the County should a rotation be desired. We have the ability to rotate the entire audit team.

BIOGRAPHIES



Deborah F. Fraser, CPA, CGMA

Audit Partner

- Certified Public Accountant
- American Institute of Certified Public Accountants
- Texas Society of Certified Public Accountants
- San Antonio Chapter of the Texas Society of Certified Public Accountants
- Certificate of Educational Achievement for Governmental Auditing Awarded by the American Institute of CPAs
- Chartered Global Management Accountant
- San Antonio Nonprofit Council, Treasurer
- Government Audit Quality Center

EXPERIENCE

Includes thirty-one years of providing auditing and accounting services for various entities. Experience includes non-profit entities, cities and school districts. In addition, she has experience as a CFO of a nonprofit organization with $19 million in state and federal grant revenues. Deborah also has experience as a consultant and trainer for MIP, governmental/nonprofit accounting software program. Deborah has also taught an Accounting Principles II class for several years at a local community college.

EDUCATION

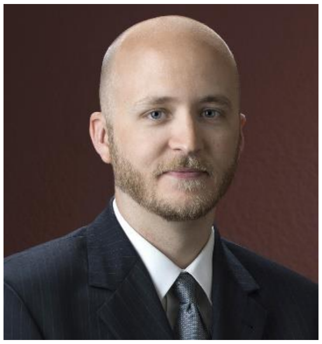
University of Wyoming, 1985, B.S.

COMMUNITY SERVICE

Board member, (Finance Committee Chairperson) Healy-Murphy *2003-2004 (A nonprofit school for disadvantaged youth)*
Secretary, Parks and Recreation Commission, City of Universal City, *1999-2004*
Treasurer, Tri District Baseball, *1997-1998*
Coach, Tri-District Baseball League *(1990-1997) (Youth Baseball League)*
Coach, GRAYSA, *1989–1996*
United Way Stewardship Review Committee – *2011 – 2014*
San Antonio NonProfit Council, Treasurer – *2015 to 2019*

CONTINUING PROFESSIONAL EDUCATION IN ACCOUNTING/AUDITING (last two years)

AICPA Certificate of Educational Achievement in Governmental Accounting and Auditing	1992	
Ethics for Texas CPAs	May 2023	4
How to Prepare for an IRS Audit of a Form 990	June 2023	2
Government and Nonprofit Audit Update	August 2023	12
Audit & Accounting Update 2023	August 2023	8
AICPA Business Management and Organization	April 2024	15
Risk Assessment Under SAS No. 145	June 2024	2
AICPA Preparation, Compilation, & Review Engagements	June 2024	4
Yellow Book: Application of GAGAS Principles	June 2024	5.5
2024 Not-for-Profit Tax Lightning Round	July 2024	2
Auditing and Accounting 2024 Update	July 2024	6
Government Accounting and Auditing 2024	August 2024	9
Latest Farud Trends - Current Research and Examples Auditing	August 2024	2.5
Applying the Uniform Guidance in Your Single Audits	August 2024	8
Auditing, Assurance, and Ethics Update for Governments and Not-for-Profits	October 2024	3.5
New Quality Management Standards: Resources - Expectations for Firms and Engageme	October 2024	1
	Total Hours	84.5



Phil S. Vaughan, CPA, CGMA
Audit Partner

- Certified Public Accountant
- American Institute of Certified Public Accountants
- Texas Society of Certified Public Accountants
- San Antonio Chapter of the Texas Society of Certified Public Accountants
- Awarded one of the Top Ten CPA Candidates in May 2009
- Government Finance Officers Association
- Chartered Global Management Accountant
- Texas Charter School Association
- Texas Association of School Business Officials
- Government Audit Quality Center

EXPERIENCE

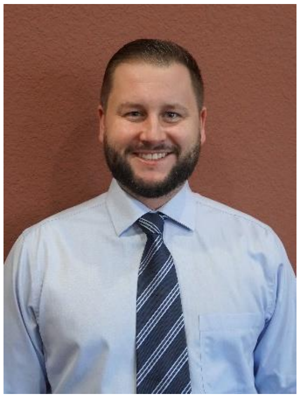
Includes eighteen years of providing public accounting, tax and auditing services, specializing in municipalities, school districts, charter schools, special purpose governments and homeowners' associations.

EDUCATION

University of Texas at San Antonio, 2008, M.S. in Accounting.
Colorado School of Mines, 2005, B.S. in Computer Science.

CONTINUING PROFESSIONAL EDUCATION IN ACCOUNTING/AUDITING (last two years)

2023 ISD Conference	June 2023	16
2023 GAQC Webcast	June 2023	2
Audit and Accounting Update 2023	August 2023	12
Government & Nonprofit Audit Update 2023	August 2023	8
2024 GAQC Webcast	May 2024	2
AICPA & CIMA Engage 2024	June 2024	11
Ethics Training for Texas CPAs	July 2024	4
Audit and Accounting Update 2024	July 2024	8
Government Accounting & Audting 2024	August 2024	12
2024 AICPA & CIMA ENGAGE+	September 2024	5
	Total Hours	80



Karl Goering, CPA
Audit Manager

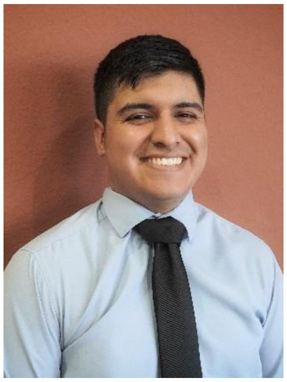
- Certified Public Accountant
- Texas Society of Certified Public Accountants
- San Antonio Chapter of the Texas Society of Certified Public Accountants

EXPERIENCE: Over nine years of experience in accounting and auditing services experience in various entities. Audit experience includes non-profit entities, local government and homeowner associations.

EDUCATION
Texas A&M University at San Antonio, 2015, Bachelor of Business Administration in Accounting

CONTINUING PROFESSIONAL EDUCATION IN ACCOUNTING/AUDITING (last two years)

Guidebook to Ethical Behavior	October 2023	4
Ethics and Professional Conduct for TX CPAs	September 2023	4
Audit and Accounting Update 2024	July 2024	8
Government Accounting & Audting 2024	August 2024	12
CLGOVT-Intro to Government Entities and Fund Accounting	August 2024	4
SAS 145 Risk & Material Misstatement-CL145R	August 2024	1
SAS 143 Auditing Accounting Estimates - CPA143	August 2024	1
City of San Antonio Training	August 2024	2
Single Audits of Governmental and Nonprofit Entities - CPSNGL	September 2024	8
Internal Control and Corporate Fraud	December 2024	9
Governmental Auditing: Course 1 - Fundamental Principles	December 2024	5
Government Auditing: A Complete Guide to Yellow Book - Why, What, and How	December 2024	12
Effective Business Communications	December 2024	14
	Total Hours	84



Nicolas Serenil
Audit Staff

EXPERIENCE: First year of accounting and auditing services experience in various entities. Audit experience includes local government and homeowner associations.

EDUCATION
University of Texas at San Antonio, 2022, Bachelor of Business Administration in Accounting
University of Texas at San Antonio, 2024, Master of Accountancy

CONTINUING PROFESSIONAL EDUCATION IN ACCOUNTING/AUDITING (last year)

Accounting and Audit Update 2024	July 2024	8
Government Accounting & Auding Update 2024	August 2024	12
Introduction to Government Entities and Fund Accounting - CLGOVT	December 2024	4
Single Audits of Governmental and Nonprofit Entities - CPSNGL	December 2024	8
	Total Hours	32

REFERENCES

Each Respondent shall include a minimum of five (5) references from clients Respondent has performed like services for and include contact information for each reference.

Reference One

Company Name: Kerr County

Address: 700 Main St, Suite 101, Kerrville, TX 78028

Contact Person and Title: Tanya Shelton, County Auditor

Phone Number: 830-792-2235

Scope & Duration of Contract: Auditing Services from FY 2015 - Present

Reference Two

Company Name: Calhoun County

Address: 202 South Ann, Suite B, Port Lavaca, TX 77979

Contact Person and Title: Candice Villarreal, County Auditor

Phone Number: 361-553-4610

Scope & Duration of Contract: Auditing Services from FY 2016 - Present

Reference Three

Company Name: Goliad County

Address: 407 S Market, Goliad, TX 77963

Contact Person and Title: Leigh Lockwood, County Auditor

Phone Number: 361-645-3345

Scope & Duration of Contract: Auditing Services from FY 2022 - Present

Reference Four

Company Name: Gonzales County

Address: 414 St. Joseph Street, Gonzales, TX 78629

Contact Person and Title: Becky Weston, County Auditor

Phone Number: 830-672-2327

Scope & Duration of Contract: Auditing Services from FY 2020 - Present

Reference Five

Company Name: Caldwell County

Address: 110 South Main Street, Lockhart, TX 78644

Contact Person and Title: Danie N. Teltow County Auditor

Phone Number: 512-398-1801

Scope & Duration of Contract: Auditing Services from FY 2019 - Present

IMPLEMENTATION PLAN

Commitment to a Superior Client Experience

At AVA, we strive to deliver an optimum balance between the highest quality assurance services and providing the best client experience. We believe superior client service revolves around timely and effective communication and minimizing disruption to your workplace.

Timely and Effective Communication
A senior team member is assigned as the primary point of contact, who will funnel communications to management to eliminate duplicate requests and reduce the volume and frequency to only what is needed. All of our team members are available throughout the year for questions or assistance, responding to all client communications within 24 hours. Before leaving on the final day of fieldwork, we will meet with management to conduct a preliminary exit interview to discuss issues encountered, open items, and a timeline moving forward. Our recommendations are practical and tailored to each client's needs rather than one-size fits all models.

Experienced Staff for Fieldwork
On-site fieldwork will be led by our Partners and Managers. Staff members will not be left unsupervised at client offices. We do not believe it is the client's responsibility to train our staff.

Minimizing Disruption to your Workplace
We recognize that handling audit requests and accommodations are not part of your daily responsibilities, so we strive to minimize the time we spend at your location by performing as much work at our office as possible. Because of that, we traditionally have not found interim procedures efficient enough to justify the added disruption to the client's business. We focus on developing powerful trend analysis based on several years of comparative balances and key statistics at our office. We will obtain electronic records from management prior to fieldwork, perform analysis on that data, and arrive for fieldwork focused on key audit areas. We believe this furthers our commitment to a better client experience because it reduces the time we spend at your location and reduces requests of management that we can answer ourselves. In addition, our goal is to assign one senior audit team member to be the primary contact with the client to eliminate duplicate questions and reduce the volume of communication and requests.

Overall Audit Plan

We start by segmenting the audit into classes of transactions which are assigned to individuals based on the difficulty of the area and skill level of the team member. Analytical procedures are used in all audit areas to:

1. Compare balances over time (at least three years)
2. Compare balances to the budget
3. Compare balances to expectations derived from the minutes of the Commissioners' meetings
4. Perform ratios such as
    a. Taxes, retirement, and other payroll items to the underlying wages
    b. Revenues to volume (i.e., tickets issued, etc.)

Based on the results of these analytical procedures (and our risk assessment), we will subjectively sample underlying records. This allows for more targeted selections based on our perceived risk and often provides better results than random sampling. For areas not suitable or inconclusive analytical procedures, we will perform random sampling. Sampling will be rotated around the County periodically to ensure all areas are covered over time.

A part of our risk assessment will also include examining material audit areas for applicable laws or regulations that may impact the financial statements. These may include compliance with the Public Funds Investment Act, appropriate use of taxes, property tax splits, and procurement.

Our current experience with computerized government systems includes Incode, MIP, SWT and some clients use QuickBooks. Testing is performed depending on the County's employees who have access to different modules within the software system.

Audit Schedule

In general, our typical timeline begins in early December by sending a request list and confirmation letters to management. At that time, we will schedule our fieldwork for November for approximately three to four days (depending on how much the County is able to provide electronically prior to fieldwork). At the end of fieldwork, potential issues, entries, open items and a future timeline will be discussed. A draft report would be released to management by July with final reports presented to Commissioners' at the July meeting.
A sample request list follows:

1. Incode reports
    a. Trial balance as of year end
    b. General ledger ("Detail Listing") for the fiscal year and future year to date
    c. Accounts payable open item report as of year-end with general ledger account checked
    d. Accounts payable history check report for the months of October and November after year end
    e. Payroll leave report through year end by department and with print liabilities checked
2. Approved amendments to the budget, if any
3. Calculation of accrued wages at year end or information from the first payroll after year end to calculate it
4. September bank statements and reconciliations
5. Investment training certificates for any investment officers
6. Investment policy and quarterly reports
7. Tax collector summary report for September
8. Description of any related parties or pending litigation
9. Summary reports for tickets for the year showing volume of these activities (incode/OCA)
10. Member service credit listing from Texas County and District Retirement System portal
11. Depreciation schedule at year end or a review of the prior year schedule if maintained by your auditor
12. Monthly TCDRS Submissions
13. OPEB (retiree insurance) Valuation
14. Debt Schedule
15. GASB 87 Lease Schedule
16. GASB 84 Schedule Reporting Fiduciary Activities

Currently, we will ask you to upload the documents into an Engagement Organizer Portal at least a week before we are scheduled to be on sight. This allows us to perform our analytics and pinpoint what we will look at when we are in the field. This portal allows you to view what items have been uploaded and is accessible to all team members.

RESPONSE FORM

REQUEST FOR QUALIFICATIONS RESPONSE FORM

Waller County, Texas is requesting Statements of Qualifications from Public Accounting Firms to perform financial audit services for a three (3) year period, beginning January 2025, fiscal year audit 2024, with an option to renew for two additional one-year terms at the discretion of the Waller County Commissioners Court. This Request for Qualifications (RFQ) is an invitation for interested firms and individuals to submit Responses for consideration to be awarded the Contract.

RFQ Number: 250205-31
RFQ Title: Request For Qualifications For Financial Audit Services For Waller County, Texas
Due Date: March 5, 2025 by 10:00 AM (CST)

Please return the four (4) print copies and one (1) electronic copy of your Statement of Qualification ("Response") in a sealed envelope to:

Debbie Hollan
Waller County Clerk
425 FM 1488, Suite 112
Hempstead, Texas 77445

The Response must be received by the Waller County Clerk by the Due Date. RFQs will only be accepted by hand or mail according to the Terms and Conditions contained in this RFQ.

Sealed envelopes must be addressed to the Waller County Clerk, and be clearly marked on the outside of the envelope with "**RFQ #250205-31 – FINANCIAL AUDIT SERVICES,**" and the name of Respondent's firm.

Note: All dates subject to change based on the needs of Waller County.

PLEASE READ THIS ENTIRE RFQ CAREFULLY

By submitting a Response, the undersigned hereby certifies that said Response has been independently arrived at and that terms or conditions appearing hereon or applicable hereto, have not and will not be disclosed by or on behalf of the Respondent to another contractor or competitor.

The undersigned by his or her signature represents that he or she is authorized to bind the Respondent to fully comply with the Terms and Conditions of the RFQ and the Response. You further certify that all of the information contained in your Response is truthful to the best of your knowledge and belief, and that the Response is made without prior understanding, agreement, connection, discussion, or collusion with an officer, employee, or agent of Waller County, Texas. By signing below, you certify that you have read the entire document and agreed to the terms therein. **You must sign below in ink; failure to sign and return WILL disqualify the Response. All Responses must be typewritten.**

Armstrong, Vaughan & Associates, P.C	941 W Byrd Blvd., Suite 101
Firm Name	Address
Deborah F Fraser, CPA, CGMA	Universal City, TX 78148
Firm Representative and Title	City, State, Zip
	210-658-6229
Signature	Telephone Number

DEBARMENT CERTIFICATION

DEBARMENT CERTIFICATION

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. Neither my company nor an owner or principal of my company is currently listed on the government-wide exclusions in SAM, debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority. My company agrees to immediately notify Waller County if my company or an owner or principal is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority.

By signature below, I certify that the above is true, complete, and accurate, and that I am authorized by my company to make this certification.

Armstrong, Vaughan & Associates, P.C.
Company Name

March 5, 2025
Date

Signature of Authorized Company Official

Deborah F Fraser, CPA, CGMA
Printed Name

NO ISRAEL BOYCOTT CERTIFICATION

NO ISRAEL BOYCOTT CERTIFICATION

Effective September 1, 2017, as amended effective May 7, 2019 (H.B. 793), a Texas governmental entity may not enter into a contract with a value of $100,000 or more that is to be paid wholly or partly from public funds with a company (excluding a sole proprietorship) that has 10 or more full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Contract. (Tex. Gov't Code Ch. 2271). Accordingly, this certification form is included to the extent required by law.

"Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Tex. Gov't Code §808.001(1).

By signature below, I certify and verify that:

✓ Respondent company does not boycott Israel and will not boycott Israel during the term of any contract awarded under this RFQ.

✓ Texas Government Code Chapter 2271 does not apply to Respondent company.

This certification is true, complete, and accurate; and I am authorized by my company to make this certification.

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

NO EXCLUDED NATION OR FOREIGN TERROIST
ORGANIZATION CERTIFICATION

NO EXCLUDED NATION OR FOREIGN TERRORIST ORGANIZATION CERTIFICATION

Effective September 1, 2017, Chapter 2252 of the Texas Government Code provides that a Texas governmental entity may not enter into a contract with a company engaged in active business operations with Sudan, Iran, or a foreign terrorist organization – specifically, any company identified on a list prepared and maintained by the Texas Comptroller under Texas Government Code §§806.051, 807.051, or 2252.123. (A company that the U.S. Government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition.)

By signature below, I certify and verify that Respondent is not on the Texas Comptroller's list identified above; that this certification is true, complete, and accurate; and that I am authorized by my company to make this certification.

Armstrong, Vaughan & Associates, P.C.
Company Name

March 5, 2025
Date

Signature of Authorized Company Official

Deborah F Fraser, CPA, CGMA
Printed Name

DEVIATION AND COMPLIANCE

DEVIATION AND COMPLIANCE

If your company intends to deviate from the Terms and Conditions, Specifications, or any other requirements contained in the RFQ, you must identify on this form where the deviations are specified in your Proposal. Complete and detailed information regarding deviations must be clearly identified in your Proposal. The County will consider any deviations in its Contract award decision, and reserves the right to accept or reject a Proposal based upon any submitted deviation.

In the absence of the identification on this form of deviations in your Proposal, your company must fully comply with the Terms and Conditions, Specifications, and all other requirements associated with this RFQ if awarded a Contract under this RFQ. A deviation will not be effective unless it is accepted by the County. The County may, in its sole discretion, seek clarification from and/or communicate with Respondent(s) regarding any submitted deviation, consistent with general procurement principles of fair competition. The County reserves the right to accept or reject a Proposal based upon any submitted deviation.

Please mark one of the following:

✓ Proposal contains NO deviations.

☐ Proposal CONTAINS deviations.

Specifically identify the location of any proposed deviations in your Proposal:

____

____

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

RESPONDENT'S BUSINESS NAME

By submitting a Response, Respondent is seeking to enter into a legal contract with the County. As such, a Respondent must be an individual or a legal business entity capable of entering into a binding contract. Respondents must completely and accurately provide the information requested below or your Response may be deemed non-responsive.

Name of Company: Armstrong, Vaughan & Associates, P.C.

Type of Business (please check one):

☐ Individual/Sole Proprietor

☐ Corporation

☐ Limited Liability Company

☐ Partnership

✓ Other

If other, please specify S corporation

State of Incorporation (if applicable): ____________________

Federal Employer Identification Number: 74-2332623

List any other names the Company uses, or is known by (dba, aka, etc.): N/A

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

NO ENERGY COMPANY BOYCOTT CERTIFICATION

NO ENERGY COMPANY BOYCOTT CERTIFICATION

Effective September 1, 2021, a Texas governmental entity may not enter into a contract with a value of $100,000 or more that is to be paid wholly or partly from public funds with a company (excluding a sole proprietorship) that has 10 or more full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott energy companies currently; and (2) will not boycott energy companies during the term of the Contract. (Tex. Gov't Code Ch. 2276). Accordingly, this certification form is included to the extent required by law.

"Boycott Energy Companies" means without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:

(a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or

(b) does business with a company described by Paragraph (a) above. Tex. Gov't Code §809.001(1).

"Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exist to make a profit. (*See* Tex. Gov't Code Ch. 2276.001(2)).

By signature below, I certify and verify that:

✓ Respondent company does not boycott energy companies and will not boycott energy companies during the term of any contract awarded under this RFQ.

✓ Texas Government Code Chapter 2276 does not apply to Respondent company.

This certification is true, complete, and accurate; and I am authorized by my company to make this certification.

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

NO DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES CERTIFICATION

NO DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES CERTIFICATION

Effective September 1, 2021, Chapter 2274 of the Texas Government Code provides that a Texas governmental entity may not enter into a contract with a company (excluding a sole proprietorship) for the purchase of goods or services unless the contract contains a written verification from the company that it (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. (Tex. Gov't Code §2274). Accordingly, this certification form is included to the extent required by law.

"Discriminate against a firearm entity or firearm trade association" means, with respect to the entity or association, to (1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association. The phrase does not include (1) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:

(a) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or

(b) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

"Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit.

By signature below, I certify and verify that

✓ Respondent company does not discriminate against firearm and ammunition industries.

✓ Texas Government Code Chapter 2274 does not apply to Respondent company.

This certification is true, complete, and accurate; and I am authorized by my company to make this certification.

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

CERTIFICATION ON INDEBTEDNESS TO COUNTY

CERTIFICATION ON INDEBTEDNESS TO COUNTY

Pursuant to Local Government Code 262.0276, and the Order Adopting Contracting Rules for Persons Indebted to County adopted on September 10, 2014, Waller County will not enter into any contract(s) with any person, business, or any other entity that proposes or otherwise seeks to enter into a contract or other transaction with Waller County that is indebted to the County.

Please provide the following information:

Taxpayer Identification Number (TIN): 74-2332623

Waller County Property Accounts: Real Estate None Personal Property None

Respondent hereby certifies that they do not owe a debt to Waller County, Texas.

By signature below, I certify that the above is true, complete, and accurate, and that I am authorized by my company to make this certification.

Armstrong, Vaughan & Associates, P.C.
Company Name

March 5, 2025
Date

Signature of Authorized Company Official

Deborah F Fraser, CPA, CGMA
Printed Name

AGREEMENT TO PROVIDE CERTIFICATE OF INSURANCE

AGREEMENT TO PROVIDE CERTIFICATE OF INSURANCE

I certify that certificates of insurance showing proof of coverages that meet the requirements outlined in this RFQ shall be provided to Waller County within ten (10) calendar days of any Notice of Award.

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

CERTIFICATE OF INTERESTED PARTIES – TEXAS ETHICS COMMISSION
FORM 1295

CERTIFICATE OF INTERESTED PARTIES TEXAS ETHICS COMISSION (FORM 1295)

Texas Government Code §2252.908 requires that a business entity submit a disclosure of interested parties at the time it submits a signed contract to Waller County. This includes new, amended, extended, or renewed contracts that:

(1) Require an action or vote by the Commissioners Court before the contract may be signed;

(2) Have a value of at least $1 million; or

(3) Are for services that would require a person to register as a lobbyist under Texas Government Code Chapter 305.

A Respondent must:

(1) Go to: https://www.ethics.state.tx.us/filinginfo/1295/ and follow the instructions to submit an electronic filing application. If you already have an account then you may log in and proceed with the process.

(2) Complete and print a copy of the form which will contain a unique certification number.

(3) Have an authorized agent sign the printed copy of the form.

(4) Include the completed Form 1295 with your Proposal when it is submitted to Waller County. (Scanning and emailing this form is sufficient for renewals & maintenance of solicitations.)

*** If Texas Government Code §2252.908 does not apply because your business entity is a publicly traded business entity, including a wholly owned subsidiary of the business entity, please complete the following certification:**

I certify that Texas Government Code §2252.908 does not apply to any contract between Respondent and County resulting from this RFQ because Respondent company is a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

Armstrong, Vaughan & Associates, P.C.	March 5, 2025
Company Name	Date
	Deborah F Fraser, CPA, CGMA
Signature of Authorized Company Official	Printed Name

CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

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.**

Armstrong, Vaughan & Associates, P.C.

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.**

None

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

March 5, 2025

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.

EXHIBIT D

	Audit Area	Time Frame	Estimated Hours & Cost					
			Partners		Manager		Staff	
1	Planning and Risk Assessment:		Hours	Cost	Hours	Cost	Hours	Cost
	Analytical procedures; Interviews and walk-throughs of internal controls; Determining audit steps; Confirmations	May	15	$ 4,575	24	$ 5,520	15	$ 2,250
2	Audit Fieldwork:							
	Review of Minutes, Contracts, Budgets and Amendments	May/June	12	3,660	15	3,450	10	1,500
	Cash and Investments	May/June	3	915	5	1,150	20	3,000
	Revenues	May/June	3	915	10	2,300	13	1,950
	Expenditures - Goods & Services	May/June	3	915	-	-	20	3,000
	Expenditures - Payroll	May/June	3	915	-	-	24	3,600
	GASB 68 and 75	May/June	3	915	4	920	12	1,800
	Testing Capital Assets and Depreciation Calculations	May/June	3	915	24	5,520	12	1,440
	Testing Debt and Related Balances	May/June	4	1,220	15	3,450	2	300
	Journal Entires and Transfers	May/June	2	610	4	920	3	450
	Fund Equities/Net Assets	May/June	4	1,220	10	2,300	-	-
3	Reporting and Required Communications:							
	Prepare report and letter for Management Review and agree to audit work to date; Review disclosures for completeness and any differences or proposed adjustments; Report Preparation/Exit Conference	June/July	15	4,575	16	3,680	7	1,050
	2nd Partner and Quality Control Review	June/July	5	1,525	-	-	-	-
	Present to Commisioners' Court	June/July	4	1,220	-	-	-	-
	Audit Hours		79	$ 24,095	127	$ 29,210	138	$ 20,340
	Total Estimated Audit Hours							344
	Total maximum cost, without Single Audit							$ 73,645
4	Single Audit (if necessary):							
	Planning, Risk Assessment, Determination of Major Programs	June	2	$ 610	3	$ 690	-	$ -
	Testing of Material Compliance and Controls over Compliance	June	-	-	5	1,150	12	1,440
	Additional Reporting (Included in Financial Statements)	June	1	305	-	-	-	-

Single Audit Hours	3	$	915	8	$	1,840	12	$	1,440
Total Estimated Single Audit Hours									23
Travel								$	3,500
Total Single Audit Cost								$	4,195
Total all-inclusive maximum price FY24 audit								$	77,840

EXHIBIT E

WALLER COUNTY
POLICY ON TRAVEL

PURPOSE

1. To establish and communicate equitable standards and effective procedures for travel expenditures and to ensure consistent and fair treatment of all County Officials and Employees. This policy applies to travel for official county business regardless of the source of funds.

DEFINITION

2. For the purpose of this policy, travel on official county business shall include reimbursements or advance payments for County Officials and fulltime employees for:
   a. registration fees
   b. hotel/motel lodging
   c. meals
   d. auto mileage
   e. other transportation
   f. incidental expenditures

APPROVAL

3. All travel expenses must be pre-approved by the elected official, appointed official, or department with responsibility over the department in which the traveling employee works, and no travel expenses shall be pre-approved unless funds have been budgeted for that purpose. All travel expenses are subject to Commissioners' Court approval prior to payment upon request from the Auditor or Treasurer.

TRAVEL EXPENDITURE FORMS

4. **Travel Expense Form Number 1-Travel Expense Reimbursement**
   a. This form shall be completed and submitted to the County Treasurer's Office within 30 days from the date of travel along with all supporting documentation as stated for each category in order to receive reimbursement.

5. **Travel Expense Form Number 2-Travel Expense In Advance**
   a. This form shall be completed and submitted to the County Treasurer's Office along with all supporting documentation. The request will be processed and considered for approval by Commissioners' Court.

REIMBURSED EXPENSES

6. **Registration Fees**
   a. Request shall be submitted with a Travel Expense Form Number 1.
   b. Reimbursements shall be allowed accordingly:
      1. Official educational seminars, conferences, and meetings.
   c. A paid registration receipt along with all supporting documentation must be attached identifying:
      1. Attendee.
      2. Dates of registration.
      3. Itemized account of all charges.
   d. Since most conferences/trainings are known well in advance, no late fees shall be paid by the county for late registrations.

REIMBURSED EXPENSES (Cont.)

7. **Hotel/Motel Lodging**
   a. Request shall be submitted with a Travel Expense Form Number 1.
   b. Reimbursements shall be allowed accordingly:
      1. Lodging must be out-of-county business related travel.
      2. Conference/Meeting rate or up to the single room rate unless two or more County Officials/Employees share a room.
   c. A paid hotel/motel receipt along with all supporting documentation must be attached identifying:
      1. Traveler.
      2. Dates of reservation.
      3. Itemized account of all charges.

8. **Meals**
   a. Request shall be submitted with a Travel Expense Form Number 1.
   b. Reimbursements for non-overnight out-of-county business related travel shall be allowed accordingly:
      1. At the maximum per day amount as established by the Waller County Commissioners' Court.
      2. Reimbursements shall be paid through payroll, subject to applicable taxes and retirement deductions in accordance with IRS and TCDRS regulations.
      3. An itemized paid receipt must be attached.
   c. Reimbursements for overnight out-of-county business related travel shall be allowed accordingly:
      1. At the maximum per diem amount as established by the Waller County Commissioners' Court.
      2. Departure/Return days are reimbursed at 75% of the per diem amount, in accordance with IRS regulations.
      3. Reimbursements shall be paid through accounts payable.
      4. Verification of conference attendance required.

9. **Auto Mileage**
   a. Request shall be submitted with a Travel Expense Form Number 1.
   b. Reimbursements shall be allowed accordingly:
      1. Actual miles traveled to and from the designation only.
      2. At the per mile rate annually established by the Waller County Commissioners' Court.

10. **Other Transportation**
   a. Request shall be submitted with a Travel Expense Form Number 1.

   b. Reimbursements shall be allowed accordingly:
      1. When Other Transportation is more appropriate or more economical than traveling by auto and has been approved by Commissioners' Court.
   c. A paid receipt along with all supporting documentation must be attached identifying:
      1. Traveler.
      2. Dates of travel.
      3. Itemized account of all charges.

REIMBURSED EXPENSES (Cont.)

11. **Incidental Expenditures**
   a. Request shall be submitted with a Travel Expense Form Number 1.
   b. Reimbursements shall be allowed accordingly:
      1. Gratuities.
      2. Parking Fees.
      3. Toll Charges.
   c. A paid receipt must be attached.

ADVANCE EXPENSE PAYMENTS

12. **Registration Fees**
   a. Request shall be submitted with a Travel Expense Form Number 2.
   b. Advance payments shall be allowed accordingly:
      1. Official educational seminars, conferences, and meetings.
   c. A registration form along with all supporting documentation must be attached identifying:
      1. Attendee.
      2. Dates of registration.
      3. Itemized account of all charges.
   d. Since most conferences/trainings are known well in advance, no late fees shall be paid by the county for late registrations.

13. **Hotel/Motel Lodging**
   a. Request shall be submitted with a Travel Expense Form Number 2.
   b. Advance payments shall be allowed accordingly:
      1. Lodging must be out-of-county business related travel.
      2. Conference/Meeting rate or up to the single room rate unless two or more County Officials/Employees share a room.
   c. A hotel/motel invoice along with all supporting documentation must be attached identifying:
      1. Traveler.
      2. Dates of reservation.
      3. Itemized account of all charges.

14. **Other Transportation**
   a. Request shall be submitted with a Travel Expense Form Number 2.
   b. Advance payment shall be allowed accordingly:
      1. When Other Transportation is more appropriate or more economical than traveling by auto and has been approved by Commissioners' Court.
   c. An invoice along with all supporting documentation must be attached identifying:
      2. Dates of travel.
      3. Itemized account of all charges.

ADVANCE EXPENSE PAYMENTS (Cont.)

15. **Incidental Expenditures**
   a. Request shall be submitted with a Travel Expense Form Number 2.
   b. Advance payments shall be allowed accordingly:
      1. Parking Fees.
   c. A hotel/motel invoice along with all supporting documentation must be attached identifying:
      1. Traveler.
      2. Dates of reservation.
      3. Itemized account of all charges.

EXCEPTIONS

16. **The County Shall Pay:**
   a. Reimbursement of actual cost of fuel when traveling in a county-owned vehicle.
   b. Reimbursement to only one Official/Employee for auto mileage when two or more are traveling in the same vehicle.
   c. Reimbursement of auto mileage for travel inside the county to Officials/ Employees who do not receive an auto allowance but use their automobile in the scope of county business.
   d. Reimbursement of auto mileage for travel outside the county to Officials/ Employees who receive a travel allowance.

17. Any travel expense incurred not specifically covered by this policy shall require Commissioners' Court approval in order for reimbursement.

EXCLUDED EXPENSES

18. **The County Shall Not Pay:**
   a. Commuting costs between home and work place.
   b. Cancellation fees for unreasonable failure to cancel reservations.
   c. For meals that are included in conference/meeting registration fees.
   d. Spouse and/or companion expenses.
   e. Lost or stolen cash or other personal property.
   f. Traffic fines for parking or speeding violations.
   g. Repairs to personal vehicles used for county travel.
   h. Personal entertainment, alcoholic beverages, or laundry service.
   i. Expenses related to training created by county personnel and not certified by a third-party professional organization.

OUT OF STATE TRAVEL

19. Advancements or reimbursements for out of state travel will not be considered for payment without prior approval from Commissioners' Court with the exception of law enforcement emergencies.

REIMBURSEMENT FROM OTHER SOURCES

20. Advancements or reimbursement for travel will not be considered for payment when other sources of funding are available.

WALLER COUNTY

TRAVEL EXPENSE FORM NUMBER 1
REIMBURSEMENT REQUEST

NAME OF EMPLOYEE SUBMITTING REIMBURSEMENT: ______________________

NAME OF DEPARTMENT: ______________________

PURPOSE OF TRAVEL: ______________________

____

DESTINATION: (City & State) ______________________

DEPARTURE DATE: ______________ **RETURN DATE:** ______________

NON-OVERNIGHT MEALS:

Attach itemized receipts and include meal gratuities in the meal column

		DATE	MEALS	TOTALS
	1			
Non-overnight meals =	2			
Maximum daily amount	3			

TOTAL REIMBURSEMENT REQUEST FOR PAYROLL ______

Non-overnight out-of-county reimbursements shall be paid through payroll, subject to applicable taxes and retirement deductions in accordance with IRS and TCDRS regulations.

OVERNIGHT MEALS AND LODGING:

Attach required verification of conference attendance

PER DIEM RATES		DATE	MEALS	LODGING	TOTALS
First & last travel days =	1				
75% of per diem amount	2				
Overnight Meals =	3				
Maximum per diem amount	4				
	5				

TOTAL MEALS AND LODGING ______

TRAVEL AND TRANSPORTATION:

Personal Auto ______ MILES AT ______ PER MILE = ______

(Approved by CC)

Other Transportation: (Attach receipts) ______

TOTAL TRAVEL AND TRANSPORTATION ______

REGISTRATION FEES:

(Attach receipts) ______

TOTAL REGISTRATION ______

INCIDENTAL EXPENSES:

Parking fees, toll charges, etc. (Attach re Policy and Administration, and Construction M ______

TOTAL INCIDENTAL EXPENSES

TOTAL REIMBURSEMENT REQUEST FOR ACCOUNTS PAYABLE ______

Overnight out-of-county reimbursements shall be paid through accounts payable.

CERTIFICATION BY EMPLOYEE

I certify that the expenses as shown on this travel expense form are true and correct statements of expenses incurred by me while traveling on official county business and that no other reimbursement has been or will be sought from other sources.

____

Signature of Person Submitting Request Date

CERTIFICATION BY OFFICIAL/DEPARTMENT HEAD

I certify that the above named employee received proper authorization for traveling on official county business.
I have examined this request for travel reimbursement and approve the same for payment.

____

Signature of Official/Department Head Submitting Request Date

Policy Amended, Approved and Adopted by
Waller County Commissioner's Court
3/23/2022
Policy 5.13
Travel Reimbursement

WALLER COUNTY
TRAVEL EXPENSE FORM NUMBER 2
ADVANCE PAYMENT REQUEST

PAYABLE TO VENDORS FOR REGISTRATIONS, LODGING, TRANSPORTATION AND INCIDENTAL EXPENDITURES
PAYABLE TO EMPLOYEE WITH PAID RECEIPTS

NAME OF EMPLOYEE SUBMITTING ADVANCEMENT: ______________________

NAME OF DEPARTMENT: ______________________

PURPOSE OF TRAVEL: ______________________

____

DESTINATION: (City & State) ______________________

DEPARTURE DATE: ______________ **RETURN DATE:** ______________

LODGING: **PAYABLE TO:** ______________________

DATE	LODGING

TOTAL LODGING __________

TRAVEL AND TRANSPORTATION:

PAYABLE TO: ______________________

TOTAL TRAVEL AND TRANSPORTATION __________

REGISTRATION FEES: **PAYABLE TO:** ______________________

TOTAL REGISTRATION __________

INCIDENTAL EXPENDITURES: **PAYABLE TO:** ______________________

TOTAL INCIDENTAL EXPENDITURES __________

TOTAL REQUEST FOR ADVANCEMENT __________

Supporting documentation must be attached for requested advancement.

CERTIFICATION BY EMPLOYEE Policy and Administration, and Construction Manager, the County Judge will exercise

I certify that the expenses as shown on this travel expense form are true and correct statements of expenses that will be incurred by me while traveling on official county business.

____
Signature of Person Submitting Request Date

CERTIFICATION BY OFFICIAL/DEPARTMENT HEAD

I certify that the above named employee received proper authorization for traveling on official county business.
I have examined this request for travel advancement and approve the same for payment.

____
Signature of Official/Department Head Submitting Request Date

Policy Amended, Approved and Adopted by
Waller County Commissioner's Court
3/23/2022
Policy 5.13
Travel Advance