

EL PASO DOWNTOWN MANAGEMENT DISTRICT

Request for Proposals:
Annual Audit Services

Issued: June 20, 2022

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Section A. Introduction

The El Paso Downtown Management District (DMD) is a municipal management district directed by a volunteer Board of Directors comprised of Downtown property owners, business representatives, tenants, and community leaders. The DMD's mission is to promote economic development by providing services that champion a vibrant Downtown El Paso. The DMD's mission further includes supporting a downtown with many activities and amenities to serve its citizens and visitors to El Paso from all walks of life. The organization administers a variety of programs and provides services that incentivize redevelopment and spur downtown growth. Our activities are governed by state and municipal laws and the DMD conducts an annual audit to ensure and verify their strict observance as well as the continued implementation of best practices in financial policies and records-keeping. The DMD is a unit of local government and subject to Texas laws applicable to public sector, governmental entities.

Section B. Scope of Work

The DMD is seeking services from Certified Public Accountants or accounting firms to conduct auditing services for the organization. The organization has previously adopted budgets in the range of \$1,087,876 (3-year average). For the 2021-22 fiscal year, the DMD adopted a budget of \$1,297,097.

The audit services contemplated in this Request for Proposal ("RFP") is for FY 2021-2022, FY 2022-2023, FY 2023-2024 and should aim to summarize the financial standing of the organization, make sure that the financial statements make no material misstatements and report on internal controls and compliance. The findings will be presented to the Board of Directors for their review and approval on behalf of the organization.

Bid Opportunities

The DMD is requesting quotations to conduct the organization's annual audit for the next 3 years with an option for an additional 2 years. The audit will need to comply with U.S. generally accepted accounting principles and *Government Auditing Standards* for each fiscal year beginning on October 1 and ending on September 30 of the following calendar year. The audit will further need to comply with any recognized professional audit standards for governmental entities that operate on a nonprofit public purpose basis, as is the case of the DMD. The auditor would also present the findings before the Board of Directors. The final audit is a public document. It may be provided to third parties as part of contracts, interlocal agreements, or other contractual obligations.

Special Reports, exhibits and schedules required

- Accounts report
- Balance sheet
- Schedule of findings and responses
- Statements of changes in financial position
- Notes on financial statements

- Report on internal control over financial reporting and on compliance in accordance with *Government Auditing Standards*

Available Manuals and Information Sources

- Minutes of the Board meetings of the DMD
- Administrative Rules, Policies and Procedures (By-laws)
- A budget is maintained and available for examination
- The Office and Project Coordinator will be available to pull and reproduce documents
- Work areas will be provided by the DMD in close proximity with the financial records on the premises

Report Requirements

- The report will be addressed to the Board of Directors
- State the scope of the examination and that the audit was performed with generally accepted accounting principles and *Government Auditing Standards* and include a statement of opinion as to whether the statements conform to generally accepted auditing standards.
- Reports of compliance examinations must include a statement that the audit was conducted in accordance with applicable standards. The audit report must state where the examination disclosed instances of significant non-compliance with laws and generally accepted accounting principles. Findings of non-compliance and ineligible expenditures must be presented in enough detail for management to be able to understand them.
- A management letter will be required. It should contain a statement of audit findings and recommendations affecting financial systems and statements, internal control, legality of actions, other instances of non-compliance with laws and generally accepted accounting principles, and any other material matters.
- The report may include any other statements, reports, or letters as deemed professionally appropriate by the auditor.

Section C. Eligibility

Open to all qualified Certified Public Accountants or accounting firms with prior experience in auditing similar organizations in size, budget and governmental functions.

Local vendors/contractors, Downtown based vendors/contractors and Disadvantaged Business Enterprises (DBEs) and Historically Underutilized Businesses (HUBs) are encouraged to apply.

No contract may be awarded to a respondent that is currently, or has been within the past three years, suspended or debarred from doing business with any of the following: (1) the federal government or any branch, department, or administrative organization thereof; (2) the State of Texas, or (3) the City of El Paso, Texas.

No contract may be awarded to a respondent whose owners or management have been convicted of a felony.

Section D. Schedule of Events

Dates are tentative except for the deadline for Bid Submissions.

Monday, June 20, 2022	Release of RFP materials
Friday, June 24, 2022 (4pm MST)	Questions Submission Deadline
Wednesday, June 29, 2022 (1pm MST)	Virtual Pre-Bid Proposal Meeting https://us02web.zoom.us/j/89479922232 Zoom Meeting ID: 894 7992 2232 Call In: 1-346-248-7799
Monday, July 18, 2022 (10am MST)	Submission Deadline
Monday, July 18, 2022, (11am MST)	Virtual Bid Opening https://us02web.zoom.us/j/86148957407 Zoom Meeting ID: 861 4895 7407 Call In: 1-346-248-7799
July 18 – August 17, 2022	Evaluation of Bid Quotations & Interviews if Necessary
Thursday, August 25, 2022	Award Date

The DMD reserves the right, at its sole discretion, to adjust this Schedule of Events as it deems necessary. If necessary, the DMD will communicate adjustments to any event in the Schedule of Events in the form of an amendment. Amendment to this RFP will be issued in writing to the list of Respondents.

Section E. RFP Release and Contact Info

Availability of RFP

The RFP will be made available on Monday, June 20, 2022, on the DMD's website – www.downtownelpaso.com and may be picked up from the DMD's offices at:

El Paso Downtown Management District
201 E. Main, Ste. 107
El Paso, Texas 79901

The RFP packets may also be obtained by email, upon request made to the Authorized Contact person as designated below.

Previously identified potential Respondents will be emailed an RFP packet once these are made available to the general public on the release date above.

Authorized Contact

The sole authorized contact (Authorized Contact) for this RFP is Joe Gudenrath. The Authorized Contact may be contacted at the following address or email address:

El Paso Downtown Management District
201 E. Main, Ste. 107
El Paso, Texas 79901
Attn: Joe Gudenrath
jgudenrath@elpasodmd.org
915-400-2293

Any material questions about the RFP or procurement process must be submitted in writing to the Authorized Contact. Email questions are preferred, although questions submitted by mail or hand-delivery will also be accepted. Verbal questions will not be accepted. Written questions about the RFP or procurement process must be submitted to the Authorized Contact prior to 4:00 p.m. MST on Friday, June 24, 2022. Any information provided in response to a question about the RFP or procurement from a source other than the Authorized Contact is unofficial, non-binding, and invalid.

Section F. Question Submissions and Amendments

Questions / Requests for Clarification

Questions and requests for clarification or additional information (including requests for changes in RFP specifications) must be submitted **in writing only** via hand-delivery, postal mail or email to the Authorized Contact designated above.

Respondents submitting questions shall clearly address each question by reference to a specific section, page and item of this solicitation.

It is the Respondent's responsibility to verify that the DMD received its Questions and/or Request for Clarification. During the RFP process, Bidders shall not contact any DMD staff except those designated in the text of this solicitation or in subsequent documentation. Nor shall bidders contact any DMD Board members about the procurement. Non-compliance with this provision may result in rejection of the offer involved.

Questions/requests for clarification must be submitted in writing no later than 4:00 p.m. MST on Friday, June 24, 2022. Any questions or requests for clarification submitted after this time will not elicit or prompt a response.

Answers / Complete Q&A

Answers to all questions submitted by the above deadline will be available in a written Q&A format to all identified Respondents on or before Friday, July 1, 2022. All requests for complete Q&A must be directed to the Authorized Contact as designated in Section E above.

Changes, Amendments, Withdrawal or Re-Issuance of RFP

A Respondent may withdraw its proposal to the RFP by written request at any time prior to acceptance of a contract.

The DMD may, at any time prior to execution of a contract: (a) amend the RFP materials or requirements; (b) extend deadlines contained in the RFP; (c) reject any application that does not meet the qualifications and requirements set forth in the RFP; (d) reject all applications; (e) cancel the RFP entirely; or (f) re-issue the RFP at a later date.

Availability of Funds

The RFP and/or the contract issued pursuant hereto may be cancelled if the funds for the contract are not, for any reason, made available to the DMD. In other words, the DMD reserves the right to cancel this RFP or an executed contract if adequate funds for the goods/services to be provided are not received by or available to the DMD.

Section G. Proposal Packet and Submission

Respondents should use Attachment A to formulate their proposal. Responses should be clear, concise and complete. They should include all components identified in Attachment A and thoroughly comply with all required specifications as described above.

Assurances and Certifications

Respondent certifies by submitting its quotation that it has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with its quotation or any contract it might receive.

Respondent certifies by submitting its quotation that, to the best of its knowledge and belief, there are no lawsuits and no proceedings pending or threatened against or affecting it, which if determined adversely to proposer will have a material adverse effect on the ability to fulfill its obligations under any contract received by proposer.

Submissions

Respondents interested in submitting a proposal must submit their completed proposal **no later than:**

Monday, July 18, 2022, by 10:00 a.m. MST.

Submissions will be accepted via hand-delivery or postal mail* at:

El Paso Downtown Management District
201 E. Main, Ste. 107
El Paso, Texas 79901

*please place the completed proposal in a sealed envelope designated “Auditing Services Submission – TIME SENSITIVE”

Or via email* to:

Joe Gudenrath – DMD’s Authorized Contact for this RFP

El Paso Downtown Management District | jgudenrath@elpasodmd.org

*please include the wording “Auditing Services Submission – TIME SENSITIVE” in the subject line of the email.

The DMD will document date and time of receipt of all proposals and signed receipts will be provided upon request. However, the burden remains on the Respondent to a) verify that the DMD received its proposal by the 10:00 a.m. MST deadline on Monday, July 18, 2022, and b) ensure that all electronic submissions (including email uploads, flash drives, and CDs/DVDs, etc.) are able to be downloaded/opened/accessed.

Proposals received after the deadline of 10:00 a.m. on Monday, July 18, 2022 will not be accepted and will not be considered for a possible contract. The DMD reserves the right to reject any or all proposals, to advertise for new proposals, or to accept any proposals deemed to be in the best interest of the community.

Section H. Procurement Standards and Violations

Costs of Submission Are Not Recoverable

The DMD is not responsible for, and will not pay or be obligated to pay, for any costs or expenses incurred by a Respondent in drafting and submitting a proposal in response to this RFP. The DMD is not responsible for, and will not pay or be obligated to pay, any costs incurred by a Respondent prior to the execution of a contract with the DMD.

Bid Information is an Official DMD Record and Becomes Public Information

The information provided by a Respondent in response to this RFP is considered “public information” and may be subject to disclosure to third parties under the Texas Public Information Act (referred to as the Texas Open Records Act), Texas Government Code Chapter 552. Respondents are therefore on notice that any materials, including bidding information, company information, and cost information, submitted to the DMD will be: (a) reviewed, assessed and evaluated by the DMD, its Board Members, employees, and representatives, including individuals who may be used to assist in the proposal scoring and evaluation process; (b) kept as a business record of the DMD for a period of time after the proposal is submitted; (c) subject to audit and/or review by governmental entities or agencies that have the right to audit or inspect the DMD’s records; and (d) potentially released to third parties who make requests for records pursuant to applicable law. The DMD is not responsible for the release of any information submitted by a Respondent. The DMD will, however, attempt to inform a Respondent if its proposal materials are requested by a third party pursuant to the Texas Public Information Act so that the Respondent may take appropriate action to ensure the confidentiality and non-disclosure of any documents subject to withholding under applicable law.

A Respondent may mark any portion of a response as “confidential” if the Respondent believes that portion of the response contains confidential or proprietary information that should not be released to third parties requesting copies of the Respondent’s response. If a Respondent believes that any information contained in its proposal qualifies for an exception to the Texas Public Information Act, it must indicate which information in the proposal should be exempted from the Act and clearly state the grounds for the exception.

Authorization to Contact References and Others About the Respondent and Proposal

As part of its review, assessment and evaluation of a proposal, the DMD reserves the right to contact any individual, agency, or organization listed as a “reference” or past contracting partner, or any other individual, agency, or organization that may have pertinent knowledge about a Respondent’s experience, qualifications, and past similar performance. By submitting a proposal in response to this RFP, the Respondent authorizes the DMD to contact references and others as set forth herein, and releases the DMD from liability for obtaining information about the Respondent in connection with the proposal or RFP.

Impermissible Contacts/Lobbying/Payment of Gratuities

General Impermissible Contacts: In order to preserve the integrity of the procurement process, Respondents are, with the exception of communications with the Authorized Contact, strictly prohibited from directly or indirectly contacting, conversing with, emailing, or communicating about the subject matter of this RFP or the procurement with (a) any Board members of the DMD or (b) any employee/representative of the DMD. If a Respondent contacts a Board member of the DMD or employee/representative of the DMD about the subject matter of the RFP while the procurement process is ongoing, the Respondent may be disqualified from consideration for a contract.

Payment of Gratuities/Favors/Bribes is Prohibited: Respondents shall not, under penalty of federal or state law, offer or provide any gratuities, favors or anything of monetary value to any Board member, employee or agent/representative of the DMD, for the purpose of having the effect of influencing favorable disposition toward their own quotation or any other quotation submitted in response to this RFP.

Lobbying: Respondents shall not attempt in any manner to advocate for, lobby or otherwise attempt to influence any Board member, employee, agent/representative of the DMD, or any evaluator assigned to assist in the evaluation and assessment of the proposals for purposes of having an influencing effect on this procurement.

Anti-Competitive Conduct: Respondents shall not engage in any activity that will restrict or eliminate competition. Violation of this provision may cause a Respondent’s proposal to be disqualified and rejected. This does not preclude joint ventures or subcontracts.

Section I: Selection Process and Criteria

The DMD will award the contract to the Respondent that submits a bid which represents the "best value" to the DMD. Respondent's offered price should remain binding for at least one year from the date presented. Proposals will be reviewed by a selection committee comprised of the Downtown Management District Finance Committee, but may include other Board members, staff, or external evaluators in the discretion of the DMD. Ranking will take into account the following criteria:

Selection Criteria:

- Demonstrated experience with similar organizations (2 pts)
- Capacity to follow the audit requirements (1 pts)
- Qualifications, references, and reputation (3 pts)
- Reasonableness of proposed fees (5 pts)
- Expected timeframe to complete audit by desired deadline (2 pts)
- Ability to work with DMD staff during all phases of work. A strong, positive, and responsive working relationship must be maintained. (2 pts)
- Familiarity with Downtown El Paso (2 pts)

Based on the above criteria, the selection committee will identify the Respondent who offers the "best value" to undertake the project. This recommendation will be forwarded to the DMD Executive Committee for review and recommendation for approval by the full Board of Directors. DMD staff will work with the selected bidder to finalize the scope of work and contract.

Section J. Grievance Procedures

Post-Selection Inquiries and Protests

This section applies to inquiries or protests submitted after the procurement process has been concluded, meaning after a selection of a contractor(s) has been made and a contract(s) have been executed.

(a) Requests for Debriefing: Respondents who desire a debriefing must submit a written request within ten (10) business days of the receipt of the DMD's notification of the procurement decision. In the debriefing, the respondent will obtain information on the procurement process and how their quotation or offer was received and ranked. The DMD will acknowledge receipt of the request for debriefing in writing within five (5) business days of receipt, along with the date and time of the scheduled debriefing. The debriefing shall be scheduled, as soon as possible, and no later than 15 business days from the written receipt of request for debriefing.

(b) Debriefing: The purpose of the debriefing is to promote the exchange of information, explain the DMD's quotation evaluation system, and help unsuccessful respondents understand why they were not selected. Debriefings serve as an important educational function for new Respondents,

which hopefully, will help them to improve the quality of any future proposals. DMD staff and/or independent evaluators will meet with the unsuccessful party and briefly review: (a) the proposal evaluation process and (b) how the unsuccessful party's proposal was scored or ranked. Respondents can gain a better understanding of the procurement process and how to improve their proposals, while DMD staff obtain direct feedback to help improve future procurements. The debriefing process, however, is not an open-ended invitation for a Respondent to obtain information and documentation on an evaluation. Although the DMD will endeavor to provide as much information or documentation as possible in a debriefing, the DMD must observe relevant legal restrictions on the timing and extent certain proposal-related information and documentation can be disclosed. By way of example, the DMD may not release confidential or proprietary information belonging to other Respondents during any stage of the debriefing or appeals process.

(c) Written Notice of Appeal: If after the debriefing, the appealing party wishes to continue with the appeal process, the appealing party must submit a written Notice of Appeal to the DMD. The Notice of Appeal is a formal protest. The Notice of Appeal must be submitted within ten (10) business days of the date of the appealing party's debriefing, but it cannot be more than 30 days after the award of the contract being appealed. This written notice must clearly state that it is an appeal (protest) and identify the following:

- The solicitation being appealed (i.e. RFP name and date).
- The name, address, phone and fax number of the appealing party.
- The specific grounds of the appeal.
- Any relevant documents in the Respondent's possession or control and which are material to the consideration of the appeal

The Notice of Appeal must be sent by registered mail or hand delivered (please request a receipt), clearly identified externally as "Dated Material" and addressed to the Authorized Contact. Written acknowledgement of receipt of the Notice of Appeal will be provided to the appealing party within five (5) business days of receipt of the notice. Such document will also include specific instructions for completing the appeal process and the date, time and place of the Informal Hearing.

(d) Hearing: A Hearing will be held at the DMD's offices within 15 business days of receipt by the DMD of the timely Notice of Appeal. The DMD Executive Director (ED) shall act as the Hearing Officer for the Hearing (although a third party can be contracted to serve as the Hearing Officer, in the discretion of the DMD), and will meet with the appealing party to discuss the specific concerns and grounds for the appeal that were identified in the Notice of Appeal. The Hearing Officer will consider the facts presented and grounds for appeal. The Hearing Officer may request additional information from the appealing party. The Hearing Officer will conduct the hearing in an informal matter. The Hearing Officer may recommend any appropriate actions allowable under applicable law and consistent with DMD procurement policies to resolve issues.

(e) Final Decision: After a review of the Hearing Officer's recommendation and any information/facts submitted by the appealing party, the DMD's Board President will make a final decision on the outcome of the appeal. The DMD's Board President will render his/her final decision

no later than 60 days from the date of the written Notice of Appeal. The DMD Board President's decision shall be the final decision and end the appeal process.

(f) Miscellaneous. The process set forth in this "Post-Selection Inquiries and Protests" section of the RFP materials serves as any administrative grievance process or bid protest/appeal process required by applicable law.

Attachment A

Proposal Requirements

Bidder Contact Information

- Name of Company
- Name of Project Manager for this engagement
- Address, email, phone (office and cell)
 - Please identify the location of all offices, especially if located in Downtown El Paso.

Narrative

Provide a narrative (no more than 1 page), describing your experience as the Respondent or principal at an accounting firm in dealing with organizations like the DMD and how you intend to align your services and final product(s) with the DMD's overarching Mission (www.downtownelpaso.com/history-and-mission/).

Demonstrated Similar Experience / References

Provide a minimum of three and no more than five references on work/projects completed in the last five years. The DMD is authorized and may contact these references regarding qualifications and past performance. All references must describe project scope and must be for auditing services provided to similar organizations.

The following must be included for each reference:

- Name of Organization and Contact
- Year commissioned as auditor and duration of services [how long acted as auditor]
- Address
- Contact information [telephone number(s) and email(s)]
- Approximate annual budget size of the organization audited

Key Project Personnel and Subcontractors

Provide the name and contact information of all key individuals who will be directly involved and/or who will coordinate and oversee the audit. Include resumes or brief biographical summary of all key personnel and expected hours per week allocated to this project along with hourly rate for staff services (if applicable). Identify any potential subcontractors to be utilized for this project.

Estimated Cost/Budget

Provide a detailed and itemized cost quote, which includes Respondent's preferred payment schedule indicated in a measurable metric (per hour, per service, etc.) for all three years of the initial contract period and for the two-year extension period. If your organization is selected for consideration of a contract, your estimated cost/budget will be used as the basis for the fee structure for the engagement, subject to reasonable best and final negotiations.

Completion Timeframe

Provide a proposed timeframe for the services sought. The DMD would like the annual audit to be available for review by the first complete week in January of each year. Any date earlier than that is preferable.

Familiarity with Downtown El Paso

The business of the DMD is focused on obtaining funds from taxpayers located in the DMD's jurisdictional area in Downtown El Paso and then investing those funds in activities predominately occurring in the same area. Thus, the vast majority of the DMD's revenues and expenses involve sources and uses (contractors, etc.) in the Downtown area. For that reason, Respondents who have access to and understanding of the Downtown El Paso area may have greater insight and ability to provide the services sought by this RFP. Accordingly, as part of your response, please provide a description of the Respondent's history and familiarity with Downtown El Paso, and its involvement in the Downtown El Paso community.