

**CITY OF HOUSTON
TAX INCREMENT REINVESTMENT ZONE NUMBER 27
MONTROSE ZONE**

REQUEST FOR PROPOSALS

FOR

PROFESSIONAL BOOKKEEPING SERVICES

**C/O DAMON WILLIAMS
ZONE CONSULTANT
8588 KATY FREEWAY, SUITE 441
HOUSTON, TX 77385**

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REQUEST FOR PROPOSALS**

I. INTRODUCTION

A. General Information

The City of Houston's Tax Increment Reinvestment Zone Number 27 ("TIRZ 27") is looking to retain a bookkeeping firm and is requesting proposals from bookkeeping professionals to carry out the tasks outlined in the scope included below for Fiscal Year 2020, with the option continuing services for each of the two (2) subsequent fiscal years based on satisfactory performance.

There is no express or implied obligation for the City's TIRZ 27 to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Any inquiries concerning the request for proposals should be addressed to Damon Williams, Zone Consultant via email at dwilliams@knudsonlp.com.

To be considered, one (1) original and three (3) copies of the responses to the proposal should be addressed to Damon Williams, Zone Consultant, 8588 Katy Freeway, Suite 441, Houston, TX 77024 and received by 3:00 p.m. on October 4, 2019. Proposals received after this time will not be considered and will be returned to the bidder unopened. TIRZ 27 reserves the right to reject any or all proposals submitted.

Proposals submitted will be evaluated by administrative personnel and the TIRZ 27 Board of Directors ("Board").

During the evaluation process, the City staff reserves the right, where it may serve in the best interest, to request additional information or clarifications from bidders, or to allow corrections of errors or omissions.

The TIRZ 27 reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the TIRZ 27 and the firm selected.

It is anticipated the Board will award the contract for audit services in October.

B. Term of Engagement

A one-year contract is contemplated, with the option of continuing services defined in the scope for each of the two (2) subsequent fiscal years based on satisfactory performance. The contract is also contemplated subject to the satisfactory negotiation of terms (including a price acceptable to both the Board and the selected firm), the concurrence of the Board and the annual availability of an appropriation.

C. Subcontracting

No subcontracting will be allowed without the express prior written consent of the Board.

II. NATURE OF SERVICES REQUIRED

A. Scope of Work to be Performed

Bookkeeping Service Scope

1. Input all transactions into the QuickBooks or similar software (transactions are generally under 50 per month collectively), with information on revenue, expenses and receivables provided by the Zone Consultant,
2. Prepare the monthly reconciliation of all bank, vendor, bank cards, special funds, and all other material accounts,
3. Maintain a schedule of all fixed assets, prepayments and unearned revenues, and
4. Maintain supporting documentation to monitor and detail all transactions.

B. Reports to be Issued

Financial Reporting

1. Prepare a monthly Budget to Actual summary and Budget to Actual detail report out of QuickBooks or similar accounting software.
2. Prepare monthly Comparative Statements of Financial Position and Statement of Activities reports.
3. Prepare any other reports or statements as requested by the Board or Executive Director

C. Special Considerations

The bookkeepers make recommendations related to increased efficiency and efficacy of bookkeeping functions to the Zone Consultant and the Board.

D. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the bookkeeper's expense, for a minimum of three (3) years, unless the firm is notified in writing by the Board of the need to extend the retention period. The bookkeeper will be required to make working papers available, upon request, to the following parties or their designees, as applicable:

- City of Houston
- Tax Increment Reinvestment Zone Number 27
- Any Redevelopment Authority to Whom TIRZ 27 Increment is Pledged
- Federal Grant Agencies and Other Federal Agencies
- State of Texas Grant Agencies and Other State of Texas Agencies
- Auditors of entities of which the City of Houston is a sub-recipient of grant funds

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

III. DESCRIPTION OF THE GOVERNMENT

A. Name of Contact Person

The auditor's principal contact with the TIRZ organization will be Damon Williams, Zone Consultant, or a designated representative, who will coordinate the assistance to be provided by the Board and the City of Houston to the auditor.

B. Background Information

The Montrose Tax Increment Reinvestment Zone was created in 2015 by action of the Houston City Council to create and extend capital improvement projects for the purpose of attracting the investment necessary to benefit and revitalize communities within the Zone. It is funded by incremental increases in City of Houston tax revenues generated by new (or improved) developments in Montrose. We do not represent any new or increased taxes, but instead are a way for tax dollars generated in Montrose to be used to improve drainage, mobility and city utilities along our major corridors.

The City is participating, by interlocal agreement, in a Tax Increment Reinvestment Zone ("TIRZ" or "Zone") that has been created over certain commercial areas within the City. The TIRZ affords the opportunity for the City to plan and prepare for the provision of public infrastructure to areas within Montrose including mobility improvements, water, sewer, drainage, detention, affordable housing, parks and certain urban design capital improvements.

C. Computer Systems

The TIRZ does not currently have an Accounting Software System.

G. Federal and State Financial Assistance

The TIRZ 27 does not currently receive funding from Federal and State Financial Assistance programs.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates, including the date proposals are due to be submitted:

Advertise Request for Proposals	September 20, 2019
Due Date for Proposals	October 4, 2019
Review by Board (estimated)	October 11, 2019
Award of Contract (estimated)	October 21, 2019

B. Date Services May Commence

Bookkeeping for the he TIRZ 27 will begin after all management personnel are available to meet with the firm's personnel upon mutual agreement.

C. Completion Requirement for the 2020 Fiscal Year Audit

The FY 2020 bookkeeping must be completed prior to July 1, 2020. It is also required that the bookkeeping firm formally presents the completed bookkeeping records to the Board during a scheduled meeting.

V. ASSISTANCE TO BE PROVIDED TO THE BOOKKEEPER AND REPORT PREPARATION

A. Statements and Schedules to be prepared by City Staff

The Finance Committee, in coordination with the Zone Consultant, Financial Advisors and Zone Attorney will prepare the necessary schedules normally required for the bookkeeping tasks.. The bookkeeper shall receive all invoices electronically by the 5th of the month.

B. Work Area, Telephones, Photocopying and FAX Machines

TIRZ 27 shall not be responsible to the bookkeeper for the provision of any space, equipment, software or internet/utility access.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Damon Williams, Zone Consultant
dwilliams@knudsonlp.com
713-463-8200
8588 Katy Freeway, Suite 441
Houston, TX 77024

2. Submission of Proposals

Each firm should submit their proposal in one (1) original and three (3) copies to:

Damon Williams, Zone Consultant
dwilliams@knudsonlp.com
713-463-8200
8588 Katy Freeway, Suite 441
Houston, TX 77024

no later than 3 p.m. on September 9, 2019. Proposals received late will be returned to the bidder unopened and will not be considered.

The following should be included in all proposal submittals:

- i. Table of Contents – Include a clear identification of the material by section and by page number.
- ii. Scope Section – Clearly describe the scope of the required services to be provided, defined in terms of both bookkeeping and financial reporting.

- iii. Bookkeeping Staff – Identify the responsible partners and appropriate supervisors who will work on the bookkeeping, including staff from other than the local office. Qualifications for each should be included and specific governmental experience should be indicated. The depth of the staff available should be included.
- iv. Bookkeeping Approach – Clearly describe your firm’s approach to conducting the bookkeeping and financial reporting. All major components should provide the estimated hours to be assigned by the firm. Major components should include the estimated hours anticipated in administrative, planning and report preparation (estimated hours should be segregated from other major components). Include in this description your methodology for accomplishing the varied bookkeeping requirements in a timely and efficient manner.
- v. Profile of the Firm – State whether your firm is local, national or international. Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors and other professional staff employed at that office and your proposed billing rates for each. Please submit a copy of the report of your firm’s most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements. In addition, provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.
- vi. Governmental Experience – Indicate other cities or other governmental entities you have audited in the past three (3) years. What kind of personal approach can your local office offer our TIRZ 27?
- vii. Licenses – An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Texas.
- viii. Insurance – An affirmative statement should also be included that the firm is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- ix. Independence - The firm should provide an affirmative statement that it is independent of the City of Houston and TIRZ 27. The firm also should provide an affirmative statement that it is independent of all of the component units of the City of Houston as defined by those same standards. The firm should also list and describe the firm’s professional relationships involving TIRZ 27, the City of Houston or any of its component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. In addition, the firm shall give the City of Houston written notice of any professional relationships entered into during the period of this agreement.
- x. Identification of Anticipated Potential Bookkeeping Problems – The proposal should identify and describe any anticipated potential bookkeeping problems, the firm's approach to resolving these problems and any special assistance that will be requested from the TIRZ 27 board of directors.

- xi. Additional Data – Give any additional information considered essential to this proposal including involvement in state and local government organizations, seminars, etc.
- xii. Selection Process – The proposals will be reviewed by the Finance Committee, and a recommendation of the most qualified firm shall be made to the TIRZ 27 board of directors. Specific factors for consideration will be based upon technical and cost criteria. Major technical scoring will have emphasis on the firm’s experience in municipal bookkeeping, client references to recent municipal bookkeeping, and qualifications of firm personnel at all levels. Additional consideration will be given for continued education of the firm’s personnel

C. Dollar Cost Bid

The dollar cost bid should contain all pricing information relative to performing the bookkeeping engagement as described in this request for proposal. The total all-inclusive not to exceed fee to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

TIRZ 27 will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal. The dollar cost bid should include the following information:

A Total All-Inclusive Not to Exceed Fee for auditing services for fiscal year 2020 and an estimate for the cost of the two-year optional extension.

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

Rates for Additional Professional Services

VII. EVALUATION PROCEDURES

A. Bookkeeper Selection Team

Proposals submitted will be evaluated by the Board and its consultant teams.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a. The bookkeeping firm is independent and licensed to practice in Texas
- b. The firm has no conflict of interest regarding any other work performed by the firm for TIRZ 27 or the City of Houston
- c. The firm adheres to the instructions in this request for proposal on preparing

and submitting the proposal

- d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality bookkeeping work.

2. Technical Quality

a. Expertise and Experience

- i. The firm's past experience and performance on comparable government engagements

- ii. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation

b. Bookkeeping Approach

- i. Comprehensiveness of bookkeeping work plan

- ii. Adequacy of proposed staffing plan for various segments of the engagement

3. Price:

- a. Bidders are requested to submit a project price, include each service and detailed fee schedule.

D. Oral Presentations

During the evaluation process, the Board may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the City or the Board may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

E. Final Selection

The Board reserves the right to conduct pre-contract negotiations with the most successful bidder.

F. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between TIRZ 27 and the firm selected.

TIRZ 27 reserves the right without prejudice to reject any or all proposals, and at its sole discretion, to accept the proposal it considers most favorable to the TIRZ 27's interest. The TIRZ 27 further reserves the right to reject all proposals and seek new proposals when such procedure is reasonable and in the best interest of the TIRZ 27.