

**REQUEST FOR PROPOSAL
INSTRUCTIONS/TERMS OF CONTRACT
SPECIFICATIONS
BID SHEET(S)
FOR**

**PROFESSIONAL AUDITING SERVICES
RFP 0094**

**PER
THE CITY OF COPPELL SPECIFICATIONS
AT
THE CITY OF COPPELL
TOWN CENTER
PURCHASING DEPARTMENT**

**OPENING DATE: April 28, 2009
2:00 P.M.**

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**CITY OF COPPELL
BID Q-0502-03
PROFESSIONAL AUDITING SERVICES**

1.0 General Information

1.1 Purpose

The City of Coppel, Texas (hereinafter referred to as the City) seeks bids in response to this Request for Purpose (RFP) from qualified and experienced public accounting firms whose principal officers are independent certified public accountants (hereinafter referred to as "bidders" or "the bidder," with related pronoun reference "he" or "his" to be interpreted without regard to gender). The objectives of this RFP are: (1) to obtain audit services for performance of the City's annual financial audit and single audit of state and federal grants for the three consecutive fiscal years ending September 30, 2009, 2010 and 2011, with an option to renew for two years based on satisfactory performance and (2) to obtain other related services as stated herein.

1.2 Inquiries from Bidders

Questions related to this RFP must be submitted verbally at the pre-bid conference (Section 1.3) or in writing no later than April 21, 2009. Written questions should be directed as follows:

Mr. Jerod Anderson
Purchasing Agent
CITY OF COPPELL
255 Parkway Boulevard
Coppell, Texas 75019

Contact with any personnel of the City other than Jerod Anderson, Purchasing Agent, regarding this request for bid may be grounds for elimination from the selection process.

Bids should be received on or before 2:00 p.m., April 28, 2009. It is the bidder's responsibility to ensure that he has received any and all addenda related to the bid. It shall be the sole responsibility of the respondent to insure that their bid is received by the Purchasing Office within the time limit indicated herein. Any bids, addenda, or other materials submitted after the date and time indicated will not be accepted or considered.

1.3 Pre-bid Conference

A pre-bid conference will be held on April 21, 2009 at 10:00 a.m. in the Town Center Council Chambers, at 255 Parkway Boulevard, Coppell, Texas 75019. Attendance is not mandatory; however, the deadline for questions regarding this RFP is the close of the pre-bid conference.

1.4 Costs Incurred in Responding

All costs directly or indirectly related to preparation of a response to this RFP, any oral presentations required to supplement and/or clarify a bid, and/or reasonable demonstrations which may be, at its discretion, required by the City shall be the sole responsibility of and shall be borne completely by the bidder.

1.5 Response Instructions

Five (5) copies of the bid, including the cost bid form, must be submitted in a sealed envelope bearing the name and address of the respondent and the Request for Bid Number. Your bid shall be mailed or hand delivered as follows:

Physical Address: Jerod Anderson
Purchasing Agent
CITY OF COPPELL
255 Parkway Boulevard
Coppell, Texas 75019

Mailing Address: Jerod Anderson
Purchasing Agent
CITY OF COPPELL
P.O. Box 9478
Coppell, Texas 75019

Late bids will not be accepted for review or otherwise considered. Deadline for submission is 2:00 p.m., April 28, 2009.

1.6 Bid Acceptance Period

All bids must include a statement that they are valid for a minimum period of 120 days subsequent to the RFP closing date.

1.7 Competitive Selection/Evaluation Factors

This procurement will comply with applicable City of Coppell Policy, which are incorporated herein by reference. A copy of those rules may be obtained through the Office of the Purchasing Agent. The successful bidder will be selected on a rational basis, with both qualifications and fees and costs considered in the selection process. Evaluation factors outlined below shall be applied to all eligible, responsive bidders in comparing bids and selecting the successful bidder. Award of a contract may be made without discussion with bidder after bids are received, opened, and evaluated. Bids should therefore be submitted on the most favorable terms.

Bids will first be evaluated on the following mandatory criteria.

1. The audit firm is independent and licensed to practice in Texas.
2. The audit firm's professional personnel have received adequate continuing professional education within the preceding two years.
3. The audit firm's professional personnel have extensive experience in audits of local governments as well as experience with the preparation of a Comprehensive Annual Financial Report in accordance with GASB Statement 34.
4. The firm has no conflict of interest with regard to any other work performed by the firm for the City.
5. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
6. The firm adheres to the instructions in this request for bids on preparing and submitting the bid.

Firms meeting the mandatory criteria will then have their bids rated on a 100-point scale. Bid evaluation factors, with the maximum points awardable shown in parentheses, are as follows:

1. Demonstrated experience, qualifications, and professional activities of the audit team and the firm, including technical expertise of supervisory staff available to perform "on-site" work and resources readily available to the firm in key areas for the City. These key areas include such specialization as municipal government and Federal funding auditing (50).
2. Total evaluated cost. (20).
3. Responsiveness of the bid in clearly stating an understanding of the work to be performed; responsiveness to terms and conditions, including scheduling; completeness and thoroughness of the technical data and documentation (20).
4. Commitment to Governmental Accounting and Auditing - The demonstration of the firm's commitment to governmental issues by knowledge of current issues and membership in related organizations such as the Government Finance Officer's Association, or Texas Municipal League. In addition, the firm's ability to communicate to the client changes in regulations or the environment. This communication should include the offer of CPE training to client personnel on current or relevant issues (10).

Oral interviews may be arranged at the discretion of the evaluating team to assist in making the final selection.

1.8 Review Committee/Evaluation Process

Review Committee will evaluate the bids using a matrix based on the factors described above. A preliminary evaluation will be done independently by each participant. Participants will then meet to discuss their evaluations; after discussion, a final evaluation will be done by each participant and the total points awarded to each bidder will be tallied. The score process is for the sole manner of evaluating and used as a guideline. The ultimate decision shall be based on all the criteria as well as non-qualified criteria or evaluation of staff.

A recommendation will be presented for final selection by the City Council.

1.9 Additional Information

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from bidders (or to allow corrections of clerical errors or omissions.) Each bid must designate person(s) who will be responsible for providing additional information and answering technical and contractual questions.

1.10 Negotiations

The City reserves the right to negotiate all elements of a bid to ensure that the best possible consideration be afforded to all concerned. The City reserves the right to reject any or all bids and to re-solicit for services.

Additionally, the City reserves the right to retain all bids submitted and to use any information provided in a bid regardless of whether that bid is selected. Submission of a bid indicates acceptance by the firm

of the conditions contained in the request for bids, unless clearly and specifically noted in the bid submitted and confirmed in the contract between the City and the firm selected.

1.11 Release of Information

Submission of information by the bidder shall not be released by the City during the bid evaluation process and will be released after contract award.

1.12 Contract Incorporation

Bidders should be aware that the contents of the successful bid will become a part of any subsequent contractual document that may arise from this RFP. Therefore, submission of a bid indicates acceptance by the firm of the conditions contained in this request for bids unless clearly and specifically noted in the bid submitted and confirmed in the contract between the City and the firm selected. Failure of a bidder to accept this obligation may result in the cancellation of any award. A sample contract (Appendix D) is attached to this request for bid. Terms of the contract are negotiable, but the basic requirements contained in the sample contract will be required. The bidder should return the sample contract with the bid and indicate any changes.

1.13 Rights and Remedies

The rights and remedies of the City provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or under any subsequent contract.

1.14 Contract Payment/Compliance Statement

The contract shall be prepared under the direction of the City and shall incorporate all applicable provisions. Payment for all services other than those described as "special projects" will be made based on an all-inclusive, not-to-exceed fee estimate, with progress payments as mutually determined to be appropriate. These payments shall be based upon completion of phases of the work.

1.15 Publicity

Any publicity, news releases, and/or advertising pertaining to this RFP and/or the awarding of any contract relating to the RFP may not be made without prior written approval of the City.

2.0 Bid Format

2.1 Required Sections

Bids must be submitted containing the following sections in the order indicated:

Section 1:	Cover letter
Section 2:	Executive Summary
Section 3:	Table of Contents
Section 4:	Firm Background, Principal Officers, and Prior Experience
Section 5:	Scope and Audit Approach
Section 6:	Proposed Schedule
Section 7:	Other References
Section 8:	Additional Data and Other Information
Section 9:	Concluding Remarks
Section 10:	Cost Bid Form

2.2 Cover Letter – Section 1

This section should reference the bids' subject; and contain the name of the bidding firm, the address of the bidding office, and contact persons authorized to answer technical, price, and/or contract questions together with their telephone number and mailing address. The cover letter must also be signed by a partner authorized to bind the company.

2.3 Executive Summary – Section 2

Prefacing the bid, an executive summary of six pages or less should be provided which gives in brief, concise terms a summation of the bidder's understanding of the work to be performed; the commitment to perform the work within the time period; a statement why the firm believes itself to be best qualified to perform the engagement; and a statement that the bid is a firm and irrevocable offer for 120 days subsequent to the RFP closing date.

The firm should also provide an affirmative statement that it is independent of the City as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

The firm should provide an affirmative statement that it is independent of all the component units of the City as defined by those same standards.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationship involving the City 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 written notice of any professional relationships entered into during the period of this agreement.

2.4 Table of Contents – Section 3

The Table of Contents shall include an index of the bid contents and attachments.

2.5 Firm Background, Principal Officers and Prior Experience – Section 4

Firm Qualifications and Experience. This section should state:

- a. the size of the firm,
- b. the size of the firm's governmental audit staff,
- c. the location of the office from which the work on this engagement is to be performed,
- d. the number and nature of the professional staff to be employed in this engagement on a full-time basis,
- e. the number and nature of the staff to be employed on a part-time basis, and
- f. that the firm is licensed to practice in Texas

If the bidder is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified. In addition, joint ventures or consortiums must identify a firm to serve as the principal auditor, and the principal auditor must accept responsibility for resolving all operational and contractual issues with the City.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three years with state regulatory bodies or professional organizations.

Partner, Supervisory and Staff Qualifications and Experience. The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who will be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Texas. The firm also should provide information on the governmental auditing experience of each person, including information on relevant continuing professional education for the past three years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, and experience and training (including relevant continuing professional education) of the staff to be assigned specifically to this engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff, and specialists assigned to the City's account in a proposal may be removed from the City's account if those persons leave the firm, are promoted, or are assigned to another office. These persons may also be changed for other reasons but only with the express prior written permission of the City of Coppell. However, in either case, the City retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the bidder, provided that replacements have substantially the same or better qualifications or experience.

Similar Engagements with Other Government Entities. For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last three years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of relativity to the current proposal. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

Prior Engagements with the City of Coppel. The Firm should list separately all engagements within the last five years, ranked on the basis of total staff hours, for the City by type of engagement (such as, audit, management advisory services, other). For each engagement, the firm should indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the firm's contact at the City of Coppel.

Other. Additional information should be included to describe the office's capabilities to audit computerized systems. This section should also include a discussion of your previous experience with the Certificate of Achievement Program of the Government Financial Officers' Association (GFOA).

2.6 Scope and Audit Approach – Section 5

The bid should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Sections 4.1 and 4.2 of this RFP. In developing the work plan, reference should be made to such sources of information as the City of Coppel's budget and related materials, organizational charts, manuals, and programs, and financial and other management information systems.

Bidders will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement.
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of EDP software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of the City of Coppel's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

The bid should also identify in this section any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of Coppel.

The work plan submitted should include separate time estimates for the financial audit and single audit work.

A separate statement of the firm's approach to and understanding of the provision of technical assistance and advice concerning accounting and auditing issues that may arise during the course of the audit should be included. In addition, a discussion of the firm's approach to the level and amount of the accounting staff support necessary to complete the work as outlined in the bid should be included.

2.7 Proposed Schedule – Section 6

Comment on the firm's ability to meet the timelines indicated in the RFP and present a schedule of when information to be provided by the City should be available. The bidder should provide any recommended changes to the schedule that might be required to enhance the timelines and quality of the engagement. In addition, bidders are required to execute copies of the Bidders Guarantees and Bidders Warranties (Appendix A and Appendix B) attached to this request for bid.

2.8 Other References – Section 7

Describe recent local and regional office auditing experience similar to the type of audit requested and give the name and telephone numbers of client officials responsible for three of the audits listed. These references would be in addition to those listed in Section 2.5 under paragraph titled - *Similar Engagements*.

2.9 Additional Data and Other Information – Section 8

Since data not specifically requested must not be included in the foregoing bid sections, give any additional information considered essential to the bid in this section. If there is no additional information to present, state in this section, "There is no additional information we wish to present."

2.10 Concluding Remarks – Section 9

This section shall contain any final remarks or elaboration, which the bidder believes is important for a clear understanding of the proposed services and/or the bidder's capabilities.

2.11 Cost Bid – Section 10

The cost bid should contain all pricing information relative to performing the audit engagement as described in this request for bid. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses stated separately.

The City of Coppell will not be responsible for expenses incurred in preparing and submitting the bid. Such costs should not be included in the bid.

The first page of the cost bid should include the following information:

1. Name of Firm
2. Certification that the person signing the bid is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the City of Coppell.
3. A Total All-inclusive Maximum Price for each of the fiscal year ending September 30, 2009, 2010, and 2011. Identify the fee for out-of-pocket expenses, if any, separately from the fee for audit services.
4. A Total All-inclusive Maximum Price for the preparation of the CAFR.
5. A Total All-inclusive Maximum Price for the City's Single Audit (if required).
6. A Total All-inclusive Maximum Price for typing the camera ready master copy of the CAFR.

The second page of the cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix C, part 1), that supports the total all inclusive maximum price. The cost of special services described in Section 4.6, Special Considerations, of this request for bid should be disclosed as separate components of the total all-inclusive maximum price using the format provided in Appendix C, parts 2 and 3.

All estimated out-of-pocket expenses to be reimbursed should be presented in the cost bid in the format provided in Appendix C. All expense reimbursements should be in the total all-inclusive maximum price submitted by the firm.

If it should become necessary for the City to request the auditor to render any additional services to either supplement the services requested in this request for bid or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City and the firm. Any such additional work agreed to between the City and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the cost bid.

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's cost bid. Interim billings shall cover a period of not less than a calendar quarter.

As provided for by the State Board of Public Accountancy rules, the contract award will not necessarily be made to the firm that provides the lowest cost bid but rather to the firm that submits the most responsive bid meeting the City's requirements.

3.0 Description of the Entity

3.1 General

The City of Coppell, Texas is located in the northwest portion of Dallas County with a small area of the City extending into Denton County. The City is bound by the cities of Lewisville on the north, Grapevine on the west, Carrollton on the east, Irving on the south, Dallas on the southeast, and the Dallas-Fort Worth International Airport on the southwest. The City's corporate boundary comprises approximately 14.7 square miles. Coppell's estimated population at September 30, 2008 was 39,565. The City of Coppell was originally incorporated December 17, 1955. The current Charter was adopted January 18, 1986 and amended August 28, 2001. The City is a home rule city and operates under the Council-Manager form of government. The legislative and governing body of the City consists of a Mayor and seven (7) Councilmembers. The City Council is responsible for adopting ordinances and regulations governing the City, adopting the budget, determining policies, and appointing the city manager, as well as members of various boards and commissions. As Chief Administrative and Executive Officer of the City, it is the responsibility of the City Manager to appoint and remove department heads and conduct the general affairs of the City in accordance with the policies of Council.

The reporting entity for the City of Coppell, as defined by Governmental Accounting Standards Board (GASB) Statement 14 as amended by GASB Statement 39, includes all funds of the City and its component units reported in the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2008. The financial statements of the City include the following governmental fund types: general, special revenue, debt service, and capital project; along with an enterprise and internal service proprietary fund types. The City also reported four agency funds. The City is not included in any other governmental "reporting entity" as defined by GASB Statement 14. The City will be required to implement GASB Statement 45 for fiscal year ended September 30, 2009. In addition, the City will open a cemetery during fiscal year 2009. The financial activity of the cemetery will be account for in a special revenue fund. A permanent fund will be used to account for the perpetual care endowment of the cemetery. An agency fund will be used to account for pre-need memorial arrangements.

The City provides a full range of municipal services contemplated by statute or charter. Major services provided are: police and fire protection, emergency ambulance service, water and sewer service, park and recreational facilities, and a library. Other services include planning future land use, traffic control, building inspection, municipal court, and general administrative services.

Copies of the City's 2008 CAFR can be obtained from the Internet at www.ci.coppell.tx.us. Access the public documents from the Internet site, click on the City Secretary Folder then the Central Files Folder. There is a Finance Folder under the Central Files Folder. Access the Financial Reports Folder. The report is listed as CAFRA-2008-09-30. The CAFR should give the reader additional information on the City's reporting entity, fund structure, accounting and budgeting policies, and federal and state financial assistance, etc. The City has not receive a management letter from the external auditors for the past five years.

3.2 Organization of the City's Finance Department

The City's accounting function falls within the City's Finance Department. The Finance Department has overall responsibility for the following functions: General Fund Accounting, Utility Accounting, Accounts Payable, Accounts Receivable, Capital Assets, Grant Reporting, and Property Tax Collection.

3.3 Organization of the City's Accounting Function

The accounting records of the City of Coppell are maintained by the Finance Department, with offices located at 255 Parkway Boulevard, Coppell, Texas 75019. Although maintenance of the accounting

records is centralized within accounting, the City's accounting function is partially decentralized. Each City department has the authority to initiate and submit all input documents (e.g. reports of cash receipts, authorization and requests for cash disbursements) for processing by Accounting. In addition, departments perform some of their data input for purchasing and payment transactions.

3.4 Audit Assistance

The accounting staff will prepare all working papers necessary to prepare the financial statements for the individual funds and the government-wide financial statements. These working papers will include trial balances, journal entries with back-up documentation, capital assets and depreciation schedules, etc. Personnel will be available to the auditors for the purpose of pulling invoices, directing auditors to the proper files, or for explaining procedures. Prepared by Clients (PBC's) can be provided; however, these should be coordinated with the Chief Accountant. The Auditor should provide the Chief Accountant an advance listing of the required forms with adequate explanatory detail as to the purpose of the working papers as well as method of preparing the working papers. Sufficiency and adequacy of detail will be determined by the City.

The preparation of confirmations will be the responsibility of the City. The auditor will need to provide a confirmation listing as well as examples of each type of confirmation to be prepared by the City. The mailing of the confirmations is the responsibility of the auditor.

4.0 Nature of Services Required

4.1 General

The City of Coppel is requesting bids from qualified public accounting firms to audit its basic financial statements for the fiscal years ending September 30, 2009, 2010, and 2011 with the option to audit the City's financial statements for each of the two subsequent fiscal years. In addition, the auditor is to provide an "in relation to" report on the combining and individual fund statements and schedules and other supplementary data based on the audit procedures applied during the audit of the basic financial statements, as required by the Government Finance Officers Association's Certificate of Achievement of Excellence in Financial Reporting Award Program. If required, the auditor is to provide an "in relation to" report on the schedule of expenditures of federal awards based on auditing procedures applied during the audit of the basic financial statements. These audits are to be performed in accordance with the provisions contained in this request for bids.

4.2 Scope of Work to Be Performed

The City of Coppel wants the auditor to express an opinion on the fair presentation, in all material respects, of its basic financial statements in conformity with accounting principles generally accepted in the United States of America.

The auditor is required to audit the basic financial statements, consisting of the Government-Wide Financial Statements and the Fund Financial Statements. The auditor is not required to audit the combining financial statements and statistical section of the report; these sections will remain unaudited but should be examined to the degree necessary for an opinion satisfactory for the City to apply to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting.

The auditor shall also be responsible for performing certain limited procedures involving the Management Discussion & Analysis and the Required Supplementary Information that is required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor is required to audit the information contained in the schedule of expenditures of federal awards. This information should be subjected to the auditing procedures applied in the audit of the basic financial statements and in accordance with Governmental Auditing Standards, the Single Audit Act as amended in 1996, and (OMB) Circular A-133. The auditor is to provide an opinion of the fair presentation of this schedule in relation to the basic financial statements taken as a whole.

The scope of the City's annual audit, or of any other work, for which the bidder is engaged, can only be broadened with the express written consent of the City. The City will have the right to negotiate fees for work related to broadening the scope of any work for which the bidder is engaged.

4.3 Auditing Standards to Be Followed

To meet the requirements of this RFP, the audit shall be performed in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants and the Governmental Accounting Standards Board, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*, the provisions of the Single Audit Act of 1996, and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Government*, as well as the following additional requirements: examination for compliance with procedures established by City Charter, City Ordinance and, where applicable, State and Federal Laws or regulations, including the *Texas Code of Criminal Procedures*, and any other requirements from regulatory agencies.

4.4 Reports to Be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue all reports currently required by State and Federal grantors and by such as the American Institute of Certified Public Accountants, the Governmental Accounting Standards Board, the Government Finance Officers Association of the United States and Canada, and any other regulatory agencies. The auditor shall likewise issue any other reports subsequently required by these or similar entities following completion of the financial or single audit.

The schedule of expenditures of federal and/or state awards and related auditor's reports, as well as the reports on the internal control structure and compliance are not to be included in the CAFR, but are to be issued separately. Twenty-five (25) copies of the Single Audit report shall be typed, printed, and bound by the auditor and provided to the City.

In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit to the Director of Finance. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls. The report on compliance shall include all instances of noncompliance.

The City will require a management letter detailing any improvements that can be made in internal controls, the accounting system and the financial reports, as observed during the audit.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of which they become aware to the City Manager and/or Director of Finance.

At completion of the audit, a meeting of the audit Partner and/or Manager, the City Manager, City Finance staff, and the City Council will be required to answer any concerns. The audit Partner and/or Manager will need to present the CAFR at the January Council meeting, and the auditors shall assure themselves that the City of Coppell's Mayor and Council is informed of each of the following and any other item as required by the regulatory agencies as noted above:

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

All reports are to be addressed to the Honorable Mayor, City Council and City Manager of Coppell, Texas.

4.5 Preparation of CAFR

The accounting staff typically prepares all information included in the Comprehensive Annual Financial Report (CAFR). The auditor reviews this information and approves it prior to printing. Because the CAFR must be released within six months after the fiscal year end (March 31) to be eligible for the GFOA Certificate of Achievement, coordination of schedules will be required between the auditor and Chief Accountant during August and September of each year. A listing of critical dates and the year-end close schedule has been provided in Section 6.0.

4.6 Special Considerations

The City will send its Comprehensive Annual Financial Report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will provide special assistance to the City to meet the requirements of that program.

The City currently anticipates it will prepare one or more official statements in connection with the sale of debt securities, which will contain the basic financial statements and the auditor's report thereon. The auditor shall be required, if requested by the City, to issue a "consent and citation of expertise" and any necessary "comfort letters."

The schedule of expenditures of federal and state awards and related auditor's report, as well as the reports on the internal control structure and compliance are not to be included in the CAFR, but are to be issued separately. Twenty-five (25) copies of the grant report are to be typed, printed, and bound by the selected auditor and provided to the City.

The City may require the auditor to prepare the financial statements, notes, and all required supplementary schedules of the CAFR. The bid should include a separated bid item for this service, to be elected at the City's option.

The bid should include the CAFR in electronic format and the typing of the camera-ready master copy of the entire CAFR as a separately bid item, to be elected at the City's option.

The City will print the CAFR, three copies of which will be furnished to the auditor.

4.7 Special Projects

Bidders may be requested to provide other types of services, collectively referred to as "special projects." Examples of such services include additional audits or reviews and cost studies. If such a request is made, the auditor shall submit, at the City's request, a separate bid for completing the engagement, along with a proposed fee schedule. The City reserves the right to contract any additional audits or reviews with whomever they choose.

4.8 Regulation Updates and CPE Provisions

The Auditor shall provide City Finance Department staff with information relating to regulation changes that would affect the City and its operation. Examples would be timely notification of changes proposed or initiated by GASB, FASB, or GAO. Some of the updates should provide the client with CPE credit opportunities. This training can be in either the current issues or simply general training. It should provide the client with opportunities to remain current or increase knowledge in governmental auditing/accounting or related areas.

5.0 Other Information and Requirements

5.1 Prior Audit

Subsequent to the contract award, arrangements shall be made, if possible, for a review of prior year working papers by the firm awarded the contract. Bidders may have access to prior years' audit reports by contacting Jennifer Miller, Director of Finance at (972) 304-3690.

5.2 Work Area

A separate workspace in close proximity to the accounting records will be provided, as well as photocopy machines, phone, and a fax machine will be made available (Although, long distance charges will be billed back to the auditor).

5.3 Audit Work Timing

Preliminary work prior to closing accounts must occur and be concluded prior to September 30 of each year. Post-closing work may commence on or about December 1. Completion of fieldwork should be accomplished no later than December 18. Fieldwork will be considered complete when all adjustments have been made by the auditor and trial balances are returned to the Chief Accountant.

A draft of the management letter and single audit report shall be given to the Finance Department no later than December 18, 2009.

Date for release of the report for printing shall be no later than January 11th of the respective year after the end of fieldwork. At that same time, the management letter and single audit report should be delivered.

5.4 Contractual Agreements

The contract to be awarded shall be for the provision of services as requested herein at the estimated fees submitted in the bid for the first three and, if extended, the fourth and fifth years of the contract. This is considered an all-inclusive, not-to-exceed fee estimate. The City shall agree to make interim payments of the annual fee based on percentage of work performed, or an agreed upon schedule.

5.5 Working Papers

The firm selected shall maintain all working papers and reports, at the auditor's expense, for a period of at least five (5) years after the fiscal year end, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor shall make available all original working papers for examination by authorized representatives of Federal and State agencies, designated representatives of the City of Coppel, and any other entity to which access has been granted in writing by the City's Director of Finance. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing financial significance.

5.6 Non-appropriation Provision

The City may cancel the contract should the present or any future City Council not appropriate funds in any fiscal year for the payment of this agreement. No penalty shall attach in the event of any such non-appropriation. In the event of non-appropriation, the City shall give the successful bidder advance written notice before cancellation of the contract, and the City shall not be obligated to make any payments beyond the end of the fiscal year (related to a subsequent fiscal year).

5.7 Equal Employment Opportunity

The Bidder agrees that during the performance of its contract it will:

1. Treat all applicants and employees without discrimination as to race, color, religion, sex, national origin, marital status, age, or handicap.
2. Identify itself as an "Equal Opportunity Employer" in all help wanted advertising or requests.

The bidder shall be advised of any complaints filed with the City alleging that bidder is not an Equal Opportunity Employer.

In determining whether to terminate any portion of this contract, the City reserves the right to consider reports from its Human Resource Director in response to discrimination complaints. However, the bidder is specifically advised that no Equal Opportunity Employment complaint will be the basis for cancellation of this contract.

5.8 Conflict of Interest

The bidder agrees to comply with the conflict of interest provisions of the City Charter and Code of Ordinances. The bidder agrees to maintain current, updated disclosure of information on file with the City Purchasing Office throughout the term of his contract.

**6.0 Listing of Timelines and Critical Dates
(April 2009 – January 2010)**

Date or Timeframe	Activity or Deadline
April 3, 2009	RFP first advertised in newspaper.
April 21, 2009	Pre-Bid conference held.
April 28, 2009	Deadline for submission of proposals.
April 28 – May 11, 2009	Evaluation of bids. Interviews with auditing firms if necessary.
May 19, 2009	Selection of firm and contract award.
June 2, 2009	Execute contract
July 2009	Preliminary planning meetings and audit plan development. PBC Listing provided to the City.
July, August or September, 2009	Interim audit fieldwork and preliminary review conference to discuss year-end audit work to be performed.
September, 2009	Preparation for year-end close.
September 30, 2009	Fiscal year end. All preliminary audit work should be completed and auditors should withdraw from the field.
November 4, 2009	Year-end system-generated reports available. Staff prepared trial balances and schedules due to Chief Accountant.
November 30, 2009	Auditors begin year-end work.
December 18, 2009	All fieldwork should be virtually complete. Finance Department notified fieldwork complete and given any audit adjustments. Exit conference to discuss results of fieldwork and to review significant findings
December 7 , 2009	CAFR draft delivered to auditors for review prior to printing.
December 14 , 2004	CAFR returned to Chief Accountant with any corrections noted. Drafted management letter and single audit reports due.
December 21, 2004	Finalized CAFR to auditors for approval to print
January 12, 2010	CAFR printed for distribution. Management Letter and Single Audit Report provided to the City.
January 26, 2010	Review CAFR, Single Audit and Management Letter with City Council.

APPENDIX A

BIDDERS GUARANTIES

1. The bidder certifies it can and will provide and make available, at a minimum, all services set forth in Section 4, Nature of Services Required.

Signature of Official:_____

Name (typed):_____

Title:_____

Firm:_____

Date:_____

APPENDIX B

BIDDER WARRANTIES

- A. Bidder warrants that it is willing and able to comply with State of Texas laws.
- B. Bidder warrants that it 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.
- C. Bidder warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written consent of the City.
- D. Bidder warrants that it is willing and able to meet required dates and reporting deadlines.
- E. Bidder warrants that all information provided by it in connection with this bid is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

APPENDIX C

Part 1

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE (YEAR) FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify): _____				
Subtotal				\$
Total for svcs. in Section 4				\$
Out-of-pocket expenses				\$
Meals & lodging				
Transportation				
Other (specify) _____				\$
Total all- inclusive maximum price for (year) audit				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX C

Part 2

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE (YEAR) FINANCIAL STATEMENTS:
COMBINING SCHEDULE-ALL SERVICES
DESCRIBED IN THE REQUEST FOR BIDS

<i>Nature of Service to be Provided</i>	<i>Schedule</i>	<i>Total Price</i>
		\$
Total		\$

EACH SERVICE DESCRIBED IN THE REQUEST FOR BIDS SHOULD BE SUPPORTED BY AN INDIVIDUAL SCHEDULE IN THE FORMAT PROVIDED IN PART 3 OF THIS APPENDIX.

APPENDIX C

Part 3

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE (YEAR) FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify): _____				
Subtotal				\$
Out-of-pocket expenses				\$
Meals & lodging				
Transportation				
Other (specify) _____				
Total price for (NAME OF SERVICE)				\$

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX D

STATE OF TEXAS §

Professional Services Contract

COUNTY OF DALLAS §

This Professional Services Contract (hereinafter referred to as "Contract"), is entered into on this _____ day of _____, 2004 and is effective immediately, by and between _____, (hereinafter referred to as "CONTRACTOR") and the **CITY OF COPPELL, TEXAS**, a municipal corporation located in Dallas County, Texas (hereinafter referred to as "CITY"), acting by and through its City Manager or his designee.

W I T N E S S E T H:

THAT IN CONSIDERATION of the covenants and agreements hereinafter contained and subject to the terms and conditions hereinafter stated, the parties hereto do mutually agree as follows:

I. **Description of Work**

For the consideration hereinafter agreed to be paid to CONTRACTOR by CITY, CONTRACTOR will conduct an independent audit of the funds of the CITY for the fiscal years ending September 30, 2009 and 2010 and 2011, with the option to extend this contract for an additional two year period, and other related services (hereinafter referred to as "services"), as described in CONTRACTOR's Bid. The services will conform in every respect to this Contract and the following documents, which are included herein as Exhibit A & B, respectfully:

1. Exhibit A: CITY Request for Bid (hereinafter referred to as "RFP");
2. Exhibit B: CONTRACTOR's Bid (hereinafter referred to as "Bid") to the RFP.

All documents referred to above are incorporated herein as if set forth in full herein. In the case of conflict in the language of any of the documents listed above and this Contract, the terms and conditions of this Contract shall be final and binding on all parties. In the case of conflict in the language of the RFP and Bid, the terms and conditions of the RFP shall be final and binding on all parties.

II. **Term**

This Contract shall commence on the day and year first written above and will terminate on the issuance of internal control recommendation letters or March, 2007, whichever occurs first in accordance with the Bid. This Contract may be extended on a year to year basis, for a period not to exceed two (2) additional years, upon mutual consent of the CITY and CONTRACTOR. If CONTRACTOR desires to extend this Contract beyond the initial term, CONTRACTOR shall request such extension sixty (60) days prior to the expiration of the initial term or any extension thereof.

<u>Fiscal Year</u>	<u>Financial & Comprehensive Audit Fee</u>	<u>Out-of- Pocket Expenses</u>	<u>PrepareTyping the CAFR</u>	<u>Single CAFR</u>	<u>Total Audit</u>	<u>Fees</u>
2009	\$	\$	\$	\$	\$	\$
2010						
2011	_____	_____	_____	_____	_____	_____

CITY may at its option prepare and/or type the CAFR in any one or all fiscal periods and reduce the amount of the CONTRACTOR's fee by _____ in any one or all fiscal periods CITY exercises this option.

Total payment to the contractor will not exceed the amount specified above for each fiscal period, unless other conditions necessitate additional services, which must be authorized in advance by City Manager and/or resolution of the Coppell City Council. CONTRACTOR's charges for services are not to exceed similar charges of CONTRACTOR for comparable services to other customers. CONTRACTOR will submit periodic billings for services rendered. No interest shall ever be due on late payments. Payments to CONTRACTOR will be in the amount shown by the quarterly statement and other documentation submitted and shall be subject to the approval of the Director of Finance. CITY shall not be liable under this Contract for any services which are unsatisfactory or which have not been approved by CITY.

CONTRACTOR will not be entitled to reimbursement for expenses incurred in accordance with this Contract unless CONTRACTOR has obtained the prior written consent of CITY to incur such expenses. For services not included in this Contract, it is agreed between CITY and CONTRACTOR that a separate agreement shall be entered into to cover such additional services.

Any and all charges made to CITY other than those specified in this Contract shall be fully explained in a signed writing delivered to the Director of Finance prior to incurring any charge or fee in excess of the amount stated in this Contract. Such written explanations shall include, but are not limited to:

1. nature of the additional charge;

City of Coppell
Services Contract for Audit Svcs. 2009, 2010, 2011

2. basis for such charge;
3. hours;
4. persons involved;
5. hourly rate;
6. costs to be incurred;
7. a statement that services to be provided are not included in the basic Contract.

Any "out-of-pocket" expenses will require approval of the Director of Finance. CONTRACTOR will not incur such expenses until written approval is obtained.

CONTRACTOR and CITY recognize that the continuation of any contract after the close of any given fiscal year of CITY, which fiscal year ends on September 30th of each year, shall be subject to Coppell City Council budget approval.

III.
Scope of Services

CONTRACTOR agrees to provide the services under this Contract in accordance with generally accepted auditing standards and to perform the services to the highest professional standards.

It is expressly understood and agreed that the scope of services for this Contract will include assistance by the City of Coppell Finance Department.

IV.
City's Responsibilities

CITY agrees to perform the following services:

1. CITY's accounting staff will prepare necessary "prepared by client" (PBCs) workpapers normally required for the annual audit and will retrieve and reproduce documents necessary to the audit.
2. Provide adequate work space and physical facilities needed to complete services.
3. Printing and distribution of the final document, after CONTRACTOR has provided camera-ready originals (if this option has been selected).
4. Basic data processing support and staff assistance.
5. Typing of confirmation letters and other needed correspondence.

V.
Staff Requirements

CONTRACTOR agrees that the staff assigned to CITY's audits shall contain at least one (1) person with two (2) or more years of governmental auditing experience. This person shall be at a senior or higher level. There shall be at least one (1) additional person that has completed a minimum of one (1) full year in governmental auditing. In addition, CONTRACTOR shall provide and maintain a staffing level as required during the main audit period commencing on or about November 30 through December 18. The staff provided on site at CITY will be computer literate and knowledgeable of Excel.

VI.
Schedule

- A. CONTRACTOR agrees to meet the following time deadlines for each fiscal period:
1. All workpapers to be prepared by CITY must be submitted, by written list, to CITY on or before August 27 of each year together with adequate written explanatory detail as to the purpose of the workpaper as well as the method to be used in preparing such workpapers and agreed upon timing.
 2. Preliminary audit work, conducted prior to year-end closing, may be scheduled by CONTRACTOR at a mutually agreeable time and date; however, such work must be completed by September 30.
 3. Year-end fieldwork must begin within the first week in December.
 4. Audit fieldwork must be completed by the end of the third week of December.
 5. Year-end audit adjustments and trial balances are to be submitted to CITY on or before December 18.
 6. Completion of the Comprehensive Annual Financial Report, the Single Audit Report, and Management Letter (ready for printing) by December 28.
 7. The Comprehensive Annual Financial Report, Single Audit Report and Management Letter shall be ready for distribution by January 12.
- B. The audit shall not be considered complete until the relevant federal and state agencies have approved the audit plan and accepted the Single Audit Report in writing, and the City of Coppel City Council have accepted the audit report.

VII.
Termination

It is agreed and fully understood that CITY may, at its option and without prejudice to any other remedy it may be entitled to at law or in equity to, cancel or terminate this Contract upon thirty (30) days written notice to CONTRACTOR with the understanding that immediately upon receipt of said notice, all work being performed hereunder shall cease. CONTRACTOR shall be compensated in accordance with the terms of this Contract for all services performed through the date of receipt of notice; provided that CITY shall not be obligated to pay for any work which is unsatisfactory or not submitted in compliance with the terms of this Contract. CONTRACTOR shall deliver all original source documents belonging to CITY immediately after notice of termination of this Contract has been received by CONTRACTOR.

VIII.
Ownership of Documents

All original source documents given to CONTRACTOR under this Contract are the sole property of CITY and shall be delivered to CITY, without restriction on future use.

IX.
Confidential Work

No reports, information, project evaluation, data or any other documentation developed by, given to, prepared by or assembled by CONTRACTOR under this Contract shall be disclosed or made available to any individual or organization by CONTRACTOR without the prior expressed written approval of the CITY.

X.
Contractor's Liability

Acceptance by CITY of any of CONTRACTOR's reports shall not constitute or be deemed a release of the responsibility and liability of CONTRACTOR, its employees, agents or associates for the accuracy and competency of their reports, information and other documents or services nor shall acceptance or approval be deemed to be the assumption of such responsibility by CITY for any defect, error or omission included in the documents prepared by CONTRACTOR, its employees, agents or associates.

XI.
Mailing Instructions

All notices, communications and reports required or permitted under the Contract shall be personally delivered or mailed to the respective parties by depositing same in the United States mail, postage prepaid, at the address shown below, unless and until either party is otherwise notified in

City of Coppell
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writing by the other party, at the following addresses. Mailed notices shall be deemed communicated as of five (5) days after mailing.

If intended for CITY, to:

Ms. Jennifer Miller
Director of Finance
City of Coppell
Post Office Box 9478
Coppell, Texas 75019

If intended for CONTRACTOR, to:

XII.
Applicable Law

If any of the terms, provisions, covenants or conditions of this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provisions contained in this Contract and all other provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated and any other provisions of the Contract shall be considered as if such invalid, illegal or unenforceable provision had never been contained in this Contract.

XIII.
Default

If at any time during the term of this Contract, CONTRACTOR shall fail to commence the work, in accordance with the provisions of this Contract, or fail to diligently provide services in an efficient, timely and careful manner and in strict accordance with the provisions of this Contract, or fail to use an adequate number or quality of personnel to complete the work or fail to perform any of its obligations under this Contract, then CITY shall have the right, if CONTRACTOR shall not cure any such default after five (5) days written notice thereof, to terminate this Contract and complete the work in any manner it deems desirable, including engaging the services of other parties therefor. Any such act by CITY shall not be deemed a waiver of any other right or remedy of CITY. If after exercising any such remedy, the cost to CITY of the performance of the balance of the work is in

excess of that part of the Contract sum which has not theretofore been paid to CONTRACTOR hereunder, CONTRACTOR shall be liable for and shall reimburse CITY for such excess.

XIV.
Monies Withheld

When CITY has reasonable grounds for believing that CONTRACTOR will be unable to perform this Contract fully and satisfactorily within the time fixed for performance; or that a meritorious claim exists or will exist against CONTRACTOR or CITY arising out of the negligence, error or omission of CONTRACTOR or CONTRACTOR's breach of any provision of the Contract, then CITY may withhold payment of any amount otherwise due and payable to CONTRACTOR under this Contract. Any amount so withheld may be retained by CITY, for that period as it may deem advisable to protect CITY against loss and CITY may, after written notice to CONTRACTOR, apply such money in satisfaction of any claim(s). This provision is intended solely for the benefit of CITY, and no other person or entity shall have any right against CITY or claim against CITY by reason of CITY's failure or refusal to withhold monies. No interest shall be payable by CITY on any amounts withheld under this provision. This provision is not intended to limit or in any way prejudice any other right of CITY.

XV.
Indemnification

CONTRACTOR shall and does hereby agree to indemnify and hold harmless CITY, its officers, agents and employees from any and all damages, loss or liability of any kind whatsoever, by reason of death or injury to property or third persons caused by negligent act, error or omission of CONTRACTOR, its officers, agents, employees, invites or other persons for whom CONTRACTOR is legally liable, with regard to the performance of this Contract; and CONTRACTOR will, at its own cost and expense, defend, pay on behalf of and protect CITY, its officers, agents and employees against any and all such claims and demands.

XVI.
Insurance

A. CONTRACTOR shall at CONTRACTOR's own expense, purchase, maintain and keep in force during the term of this Contract such insurance as set forth below. CONTRACTOR shall not commence work under this Contract until CONTRACTOR has obtained all the insurance required and such insurance has been approved by CITY. All insurance policies provided under this Contract shall be written on an "occurrence basis" unless otherwise indicated. The insurance requirements shall remain in effect throughout the term of this Contract.

1. Professional Liability Insurance including contractual liability in an amount not less than \$500,000.

2. Commercial General Liability Insurance: \$500,000 combined single limit per occurrence for bodily injury, personal injury and property damage. This policy shall have no coverage removed by exclusions.
3. Automobile Liability: \$500,000 combined single limit per accident for bodily injury and property damage. Coverage should be provided as a "Code 1," any auto.
4. Workers' Compensation and Employees' Liability Statutory: Employer's Liability policy limits of \$100,000 for each accident, \$500,000 policy limit - Disease.

B. Other Insurance Provisions

1. CITY shall be named as an additional insured on the Commercial General Liability and Automobile Liability insurance policies. These insurance policies shall contain the appropriate additional insured endorsement signed by a person authorized by that insurer to bind coverage on its behalf.
2. Professional liability coverage. Should this coverage be provided on a "claims-made" form, the CONTRACTOR must maintain this policy for a period of four (4) years after completion of this project or purchase the extended reporting period or "tail coverage".
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to CITY.
4. Insurance is to be placed with insurers with a Best rating of no less than A:VII. The company must also be duly authorized to transact business in the State of Texas.
5. Workers' Compensation and Employers' Liability Coverage: The insurer shall agree to waive all rights of subrogation against CITY, its officials, employees and volunteers for losses arising from the activities under this Contract.
6. Certificates of Insurance completed on the Accord form only and endorsements effecting coverage required by this clause shall be forwarded to:

The City of Coppell
Risk Management
Post Office Box 9478
Coppell, Texas 75019

XVII.

Independent Contractor

CONTRACTOR covenants and agrees that he or she is an independent contractor and not an officer, agent, servant or employee of CITY; that CONTRACTOR shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing same, and shall be responsible for the acts and omissions of its officers, agents, employees, contractors, subcontractors and consultants; that the doctrine of respondent superior shall not apply as between CITY and CONTRACTOR, its officers, agents, employees, contractors, subcontractors and consultants, and nothing herein shall be construed as creating a partnership or joint enterprise between CITY and CONTRACTOR.

**XVIII.
Entire Agreement**

This Contract embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties relating to matters herein, and except as otherwise provided herein, cannot be modified without written agreement of the parties.

**XIX.
Successors and Assigns**

CITY and CONTRACTOR each bind themselves, their successors, executors, administrators and assigns to the other party to this Contract. Neither CITY nor CONTRACTOR will assign, sublet, subcontract or transfer any interest in this Contract without the written consent of the other party. No assignment, delegation of duties or subcontract under this Contract will be effective without the written consent of the CITY.

**XX.
Non-Waiver**

It is further agreed that one (1) or more instances of forbearance by CITY in the exercise of its rights herein shall in no way constitute a waiver thereof.

**XXI.
Headings**

The headings of the Contract are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

**XXII.
Changes**

CITY may, from time to time, require changes in the scope of the services to be performed under this Contract. Such changes as are mutually agreed upon by and between CITY and CONTRACTOR shall be incorporated by written modification to this Contract.

XXIII.
Performance of Work

CONTRACTOR, its associates and employees, shall perform all the work called for in this Contract. CONTRACTOR covenants and agrees that all of its associates and employees who work on this project shall be fully qualified to undertake same and competent to do the work described in this Contract.

XXIV.
No Third Party Beneficiary

For purposes of this contract, including its intended operation and effect, the parties (CITY and CONTRACTOR) specifically agree and contract that: (1) the contract only affects matters/disputes between the parties to this contract, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or CONTRACTOR or both; and (2) the terms of this contract are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or CONTRACTOR.

XXV.
Venue

The parties to this Contract agree and covenant that this Contract will be enforceable in Coppell, Texas, and that if legal action is necessary to enforce this Contract, exclusive venue will lie in Dallas County, Texas.

XXVI.
Procurement of Goods and Services from Coppell Businesses
and/Historically Underutilized Businesses

In performing this Contract, CONTRACTOR agrees to use diligent efforts to purchase all goods and services from Coppell Businesses whenever such goods and services are comparable in availability, quality and price.

As a matter of policy with respect to CITY projects and procurements, CITY also encourages the use, if applicable, of qualified contractors, subcontractors and suppliers where at least fifty-one percent (51%) of the ownership of such contractor, subcontractor or supplier is vested in racial or ethnic minorities or women. In the selection of subcontractors, suppliers or other persons in organizations proposed for work on the Contract, the CONTRACTOR agrees to consider

City of Coppell
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this policy and to use its reasonable and best efforts to select and employ such company and persons for work on this Contract.

IN WITNESS WHEREOF, the parties have hereunto set their hands by their representatives duly authorized on the day and year first written above.

CONTRACTOR

BY _____
Signature

Printed/Typed Name

Printed/Typed Title

Tax Identification No.

WITNESS:

CITY OF COPPELL, TEXAS

Clay Phillips
City Manager

ATTEST:

City of Coppell
Services Contract for Audit Svcs. 2009, 2010, 2011

LIBBY BALL, City Secretary

APPROVED AS TO FORM:

BOB HAGER, City Attorney

THE STATE OF TEXAS §

Contractor Acknowledgement

COUNTY OF DALLAS §

BEFORE ME, a Notary Public in and for the State of Texas, on this day personally appeared _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed same for and as the act and deed of _____, as _____ thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 2009.

Notary
Public In and For
The State of Texas

My Commission Expires:

Notary's Printed Name

THE STATE OF TEXAS §

City Acknowledgement

COUNTY OF DALLAS §

BEFORE ME, a Notary Public in and for the State of Texas, on this day personally appeared CLAY PHILLIPS, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that same was the act of said CITY OF COPPELL, TEXAS, a municipal corporation of the State of Texas, Dallas County, Texas, and as the City Manager thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 2009.

Notary Public In and For
The State of Texas

My Commission Expires:

Notary's Printed Name

CONFLICT OF INTEREST QUESTIONNAIRE FORM CIQ For vendor or other person doing business with local governmental entity						
This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity. By law this questionnaire must be filed with the records administrator of the local government not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.						
<table border="1"> <tr> <td rowspan="2"> OFFICE USE ONLY Date Received </td> <td> 1 Name of person doing business with local governmental entity. </td> </tr> <tr> <td> 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 September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.) </td> </tr> <tr> <td colspan="2"> 3 Name each employee or contractor of the local governmental entity who makes recommendations to a local government officer of the governmental entity with respect to expenditures of money AND describe the affiliation or business relationship. </td> </tr> </table>		OFFICE USE ONLY Date Received	1 Name of person doing business with local governmental entity.	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 September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)	3 Name each employee or contractor of the local governmental entity who makes recommendations to a local government officer of the governmental entity with respect to expenditures of money AND describe the affiliation or business relationship.	
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4	Name each local government officer who appoints or employs local government officers of the governmental entity for which this questionnaire is filed AND describe the affiliation or business relationship.
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Adopted 11/02/2005

CONFLICT OF INTEREST QUESTIONNAIRE

Page 2

For vendor or other person doing business with local governmental entity

FORM CIQ

5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the answer to A, B, or C is YES.

This section, item 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or other relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire? ☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity? ☐ Yes ☐ No

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more? ☐ Yes ☐ No

D. Describe each affiliation or business relationship.

6

Signature of person doing business with the governmental entity

Date

Adopted 11/02/2005