

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

**AGREEMENT FOR AUDIT SERVICES BETWEEN
WHITLEY PENN LLP AND FORT BEND COUNTY
PURSUANT TO FBC RFP 20-083**

THIS AGREEMENT is made and entered into by and between Fort Bend County, (hereinafter "County"), a body corporate and politic under the laws of the State of Texas, and Whitley Penn, LLP (hereinafter "Contractor"), a company authorized to conduct business in the State of Texas.

W I T N E S S E T H

WHEREAS, County desires that Contractor provide professional Audit Services pursuant to pursuant to FBC RFP 20-083; and

WHEREAS, County represents that it is qualified and desires to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

AGREEMENT

Section 1. Scope of Services

A. Contractor shall render Audit Services on behalf of County for the year ending September 30, 2020, that meet or exceed the specifications of:

1. Exhibit A: FBC RFP 20-083;
2. Exhibit B: Proposal for Audit Services dated May 26, 2020; and
3. Exhibit C: Letter of Engagement dated July 29, 2020

All three documents are attached and incorporated by reference.

B. Services shall not include assistance with preparation of the financial statements unless the Fort Bend County Auditor sends a written request for same to Contractor. The Fort Bend County Auditor is hereby authorized to make the request for assistance with preparation of the financial statement on behalf of County.

C. Contractor shall provide County with written reports upon completion of Audit Services in both paper and electronic form, to include all charts, schedules and other appended documentation.

Section 2. Personnel

- A. Contractor represents that it presently has, or is able to obtain, adequate qualified personnel in its employment for the timely performance of the Scope of Services required under this Agreement and that Contractor shall furnish and maintain, at its own expense, adequate and sufficient personnel, in the opinion of County, to perform the Scope of Services when and as required and without delays.
- B. All employees of Contractor shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of Contractor who, in the opinion of County, is incompetent or by his conduct becomes detrimental to the project shall, upon request of County, immediately be removed from association with the project.

Section 3. Compensation and Payment

- A. Contractor's fees shall be calculated at the rates set forth in the attached Exhibit A. The Maximum Compensation for the performance of Services within the Scope of Services described in Exhibit A is one hundred eight one thousand dollars and 00/100 (\$181,000.00) In no case shall the amount paid by County under this Agreement exceed the Maximum Compensation without an approved change order.
- B. All performance of the Scope of Services by Contractor including any changes in the Scope of Services and revision of work satisfactorily performed will be performed only when approved in advance and authorized by County.
- C. Mutually approved travel and mileage expenses incurred in the performance of required services will be compensated only in accordance with the Fort Bend County Travel Policy, a copy of which is attached as Exhibit B to this Agreement.
- D. Copy costs shall not exceed \$.10 per page, which is the maximum amount the County would be allowed to charge per the Texas Public Information Act.
- E. County will pay Contractor based on the following procedures: Upon completion of the tasks identified in the Scope of Services, Contractor shall submit to County two (2) original copies of invoices showing the amounts due for services performed in a form acceptable to County. County shall review such invoices and approve them within 30 calendar days with such modifications as are consistent with this Agreement and forward same to the Auditor for processing. County shall pay each such approved invoice within thirty (30) calendar days. County reserves the right to withhold payment pending verification of satisfactory work performed.

Section 4. Limit of Appropriation

- A. Contractor clearly understands and agrees, such understanding and agreement being of the absolute essence of this Agreement, that County shall have available the total

maximum sum certified as available by the Fort Bend County Auditor, specifically allocated to fully discharge any and all liabilities County may incur.

- B. Contractor does further understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the total maximum compensation that Contractor may become entitled to and the total maximum sum that County may become liable to pay to Contractor shall not under any conditions, circumstances, or interpretations thereof exceed one hundred eight one thousand dollars and 00/100 (\$181,000.00).

Section 5. Time of Performance

Contractor shall perform the Audit Services in compliance with the timelines stated in Exhibit A. Timing of performance of Audit Services is of the essence. If delivery or completion dates cannot be met, Contractor must inform the County Auditor immediately. Providing this information does not change the delivery or completion dates unless this Agreement is amended.

Section 6. Modifications and Waivers

- A. The parties may not amend or waive this Agreement, except by a written agreement executed by both parties.
- B. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no course of dealing between the parties, operates as a waiver or estoppel of any right, remedy, or condition.
- C. The rights and remedies of the parties set forth in this Agreement are not exclusive of, but are cumulative to, any rights or remedies now or subsequently existing at law, in equity, or by statute.

Section 7. Term and Termination

- A. This contract is for the period 1 August 2020 through 31 July 2023 renewable for two (2) one-year additional terms under the terms and conditions if mutually agreeable to both parties.
- B. Termination for Default
 - 1. County may terminate the whole or any part of this Agreement for cause in the following circumstances:
 - a. If Contractor fails to perform services within the time specified in the Scope of Services or any extension thereof granted by the County in writing;

- b. If Contractor materially breaches any of the covenants or terms and conditions set forth in this Agreement or fails to perform any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in any of these circumstances does not cure such breach or failure to County's reasonable satisfaction within a period of ten (10) calendar days after receipt of notice from County specifying such breach or failure.
- 2. If, after termination, it is determined by County that for any reason whatsoever that Contractor was not in default, or that the default was excusable, services may continue in accordance with the terms and conditions of this Agreement or the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the County in accordance with Section 7A above.
- C. Upon termination of this Agreement, County shall compensate Contractor in accordance with the Compensation and Payment Section above, for those services which were provided under this Agreement prior to its termination and which have not been previously invoiced to County. Contractor's final invoice for said services will be presented to and paid by County in the same manner set forth in the Compensation and Payment Section above.
- D. If County terminates this Agreement as provided in this Section, no fees of any type, other than fees due and payable at the Termination Date, shall thereafter be paid to Contractor.

Section 8. Ownership and Reuse of Documents

The written report(s) created by Contractor in fulfillment of its work under this Agreement, shall become the property of County upon completion of this Agreement, or in the event of termination or cancellation thereof, and at the time of payment under the Compensation and Payment Section for work performed.

Section 9. Inspection of Books and Records

Contractor will permit County, or any duly authorized agent of County, to inspect and examine the books and records of Contractor for the purpose of verifying the amount of work performed under the Scope of Services. County's right to inspect survives the termination of this Agreement for a period of four years.

Section 10. Insurance

- A. Prior to commencement of the Services, Contractor shall furnish County with properly executed certificates of insurance which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days' prior written notice to

County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

1. Workers' Compensation insurance in accordance with the laws of the State of Texas. Substitutes to genuine Workers' Compensation Insurance will not be allowed. Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.
 2. Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.
 3. Business Automobile Liability insurance with a combined Bodily Injury/Property Damage limit of not less than \$1,000,000 each accident. The policy shall cover liability arising from the operation of licensed vehicles by policyholder.
 4. Professional Liability insurance with limits not less than \$1,000,000.
- B. County and the members of Commissioners Court shall be named as additional insured to all required coverage except for Workers' Compensation and Professional Liability (if required). All Liability policies written on behalf of Contractor shall contain a waiver of subrogation in favor of County and members of Commissioners Court.
- C. If required coverage is written on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Contract and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time the work under this Contract is completed.
- D. Contractor shall not commence any portion of the work under this Contract until it has obtained the insurance required herein and certificates of such insurance have been filed with and approved by Fort Bend County.
- E. No cancellation of or changes to the certificates, or the policies, may be made without sixty (60) days prior, written notification to Fort Bend County.

- F. Approval of the insurance by Fort Bend County shall not relieve or decrease the liability of the Contractor.

Section 12. Indemnity

CONTRACTOR SHALL INDEMNIFY AND DEFEND COUNTY AGAINST ALL LOSSES, LIABILITIES, CLAIMS, CAUSES OF ACTION, AND OTHER EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF CONTRACTOR, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF CONTRACTOR OR ANY OF CONTRACTOR'S AGENTS, SERVANTS OR EMPLOYEES.

Section 13. Confidential and Proprietary Information

- A. Contractor acknowledges that it and its employees or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire information that is confidential to County. Any and all information of any form obtained by Contractor or its employees or agents from County in the performance of this Agreement shall be deemed to be confidential information of County ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information. Confidential Information shall be deemed not to include information that (a) is or becomes (other than by disclosure by Contractor) publicly known or is contained in a publicly available document; (b) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; or (c) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.
- B. Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to County hereunder, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use its best efforts to assist County in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limitation of the foregoing, Contractor shall advise County immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and Contractor will at its expense cooperate with County in seeking injunctive or other equitable relief in the name of County or Contractor against any such person. Contractor agrees that, except as directed by County, Contractor will not at any time during or after the term of this Agreement disclose, directly or

indirectly, any Confidential Information to any person, and that upon termination of this Agreement or at County's request, Contractor will promptly turn over to County all documents, papers, and other matter in Contractor's possession which embody Confidential Information.

- C. Contractor acknowledges that a breach of this Section, including disclosure of any Confidential Information, or disclosure of other information that, at law or in equity, ought to remain confidential, will give rise to irreparable injury to County that is inadequately compensable in damages. Accordingly, County may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interest of County and are reasonable in scope and content.
- D. Contractor in providing all services hereunder agrees to abide by the provisions of any applicable Federal or State Data Privacy Act.
- E. Contractor expressly acknowledges that County is subject to the Texas Public Information Act, TEX. GOV'T CODE ANN. §§ 552.001 et seq., as amended, and notwithstanding any provision in the Agreement to the contrary, County will make any information related to the Agreement, or otherwise, available to third parties in accordance with the Texas Public Information Act. Any proprietary or confidential information marked as such provided to County by Consultant shall not be disclosed to any third party, except as directed by the Texas Attorney General in response to a request for such under the Texas Public Information Act, which provides for notice to the owner of such marked information and the opportunity for the owner of such information to notify the Attorney General of the reasons why such information should not be disclosed. The terms and conditions of the Agreement are not proprietary or confidential information.

Section 14. Independent Contractor

- A. In the performance of work or services hereunder, Contractor shall be deemed an independent contractor, and any of its agents, employees, officers, or volunteers performing work required hereunder shall be deemed solely as employees of contractor or, where permitted, of its subcontractors.
- B. Contractor and its agents, employees, officers, or volunteers shall not, by performing work pursuant to this Agreement, be deemed to be employees, agents, or servants of County and shall not be entitled to any of the privileges or benefits of County employment.

Section 15. Notices

- A. Each party giving any notice or making any request, demand, or other communication (each, a "Notice") pursuant to this Agreement shall do so in writing and shall use one of the following methods of delivery, each of which, for purposes of this Agreement, is a writing: personal delivery, registered or certified mail (in each case, return receipt requested and postage prepaid), or nationally recognized overnight courier (with all fees prepaid).
- B. Each party giving a Notice shall address the Notice to the receiving party at the address listed below or to another address designated by a party in a Notice pursuant to this Section:

County: Fort Bend County
Attn: County Judge
401 Jackson Street
Richmond, Texas 77469

With a copy to: Fort Bend County Auditor
301 Jackson St.
Richmond, TX 77469

Contractor: Whitley Penn LLP
~~3411 Richmond Avenue, Ste. 500~~ 3737 Buffalo Speedway, Ste. 1600
~~Houston, TX 77046~~ Houston, TX 77098

- C. Notice is effective only if the party giving or making the Notice has complied with subsections 15(A) and 15(B) and if the addressee has received the Notice. A Notice is deemed received as follows:
1. If the Notice is delivered in person, or sent by registered or certified mail or a nationally recognized overnight courier, upon receipt as indicated by the date on the signed receipt.
 2. If the addressee rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change in address for which no Notice was given, then upon the rejection, refusal, or inability to deliver.

Section 16. Compliance with Laws

Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations. When required by County, Contractor shall furnish County with

certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

Section 17. Performance Warranty

- A. Contractor warrants to County that Contractor has the skill and knowledge ordinarily possessed by well-informed members of its trade or profession practicing in the greater Houston metropolitan area and Contractor will apply that skill and knowledge with care and diligence to ensure that the Services provided hereunder will be performed and delivered in accordance with the highest professional standards.
- B. Contractor warrants to County that the Services will be free from material errors and will materially conform to all requirements and specifications contained in the attached Exhibit A.

Section 18. Assignment and Delegation

- A. Neither party may assign any of its rights under this Agreement, except with the prior written consent of the other party. That party shall not unreasonably withhold its consent. All assignments of rights are prohibited under this subsection, whether they are voluntarily or involuntarily, by merger, consolidation, dissolution, operation of law, or any other manner.
- B. Neither party may delegate any performance under this Agreement.
- C. Any purported assignment of rights or delegation of performance in violation of this Section is void.

Section 19. Applicable Law

- A. The laws of the State of Texas govern all disputes arising out of or relating to this Agreement. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all legal actions or proceedings arising out of or relating to this Agreement and waive the right to sue or be sued elsewhere.
- B. Nothing in this Agreement shall be construed to waive the County's sovereign immunity.
- C. County does not agree to pay any and/or all attorney fees incurred by Contractor in any way associated with this Agreement.
- D. County does not agree to submit disputes arising out of this Agreement to binding arbitration. Therefore, any references to binding arbitration or the waiver of a right to litigate a dispute are hereby deleted.

Section 20. Successors and Assigns

County and Contractor bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of the other party, in respect to all covenants of this Agreement.

Section 21. Third Party Beneficiaries

This Agreement does not confer any enforceable rights or remedies upon any person other than the parties.

Section 22. Severability

If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions remain in full force, if the essential terms and conditions of this Agreement for each party remain valid, binding, and enforceable.

Section 23. Publicity

Contact with citizens of Fort Bend County, media outlets, or governmental agencies shall be the sole responsibility of County. Under no circumstances whatsoever, shall Contractor release any material or information developed or received in the performance of the Services hereunder without the express written permission of County, except where required to do so by law.

Section 24. Captions

The section captions used in this Agreement are for convenience of reference only and do not affect the interpretation or construction of this Agreement.

Section 25. Certain State Law Requirements for Contracts:

The contents of this Section are required by Texas Law and are included by County regardless of content.

- A. Agreement to Not Boycott Israel Chapter 2270 Texas Government Code: By signature below, Contractor verifies Contractor does not boycott Israel and will not boycott Israel during the term of this Agreement.
- B. Texas Government Code Section 2251.152 Acknowledgment: By signature below, Contractor represents pursuant to Section 2252.152 of the Texas Government Code, that Contractor is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153

Section 26. Human Trafficking.

BY ACCEPTANCE OF CONTRACT, CONTRACTOR ACKNOWLEDGES THAT FORT BEND COUNTY IS OPPOSED TO HUMAN TRAFFICKING AND THAT NO COUNTY FUNDS WILL BE USED IN SUPPORT OF SERVICES OR ACTIVITIES THAT VIOLATE HUMAN TRAFFICKING LAWS.

Section 27. Entire Agreement

This Agreement contains the entire Agreement among the parties and supercedes all other negotiations and agreements, whether written or oral. Attached hereto are exhibit A-C, all of which are incorporated by reference as if set forth herein verbatim for all purposes.

Section 28. Conflict

In the event there is a conflict between this Agreement and the attached exhibits, priority shall be given as follows (from first to last):

- First: This document titled: AGREEMENT FOR AUDIT SERVICES BETWEEN WHITLEY PENN LLP AND FORT BEND COUNTY DRAINAGE DISTRICT PURSUANT TO FBC RFP 20-083
- Second: Exhibit A: FBC RFP 20-083
- Third: Exhibit C: Letter of Engagement dated July 29, 2020
- Fourth: Exhibit B: Proposal for Audit Services dated May 26, 2020

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the _____ day of _____, 2020.

FORT BEND COUNTY

WHITLEY PENN, LLP

KP George, County Judge



Authorized Agent- Signature

Christopher L. Breaux

Authorized Agent- Printed Name

ATTEST:

Partner

Title

September 15, 2020

Date

Laura Richard, County Clerk

Exhibits:

Exhibit A: FBC RFP 20-083

Exhibit B: Proposal for Audit Services dated May 26, 2020

Exhibit C: Letter of Engagement dated July 29, 2020

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AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$_____ to accomplish and pay the obligation of Fort Bend County under this contract.

Robert Edward Sturdivant, County Auditor

Exhibit A:

FBC RFP 20-083

***Fort Bend County, Texas
Request for Proposals***



***Audit Services
for Fort Bend County
RFP 20-083***

SUBMIT PROPOSALS TO:

Fort Bend County
Purchasing Department
301 Jackson, Suite 201
Richmond, TX 77469

Note: All correspondence must include the term
“Purchasing Department” in address to assist in
proper delivery

SUBMIT NO LATER THAN:

Tuesday, May 26, 2020
2:00 PM (Central)

MARK ENVELOPE:

RFP 20-083
Audit Services

***ALL RFPs MUST BE RECEIVED IN AND TIME/DATE STAMPED BY THE PURCHASING OFFICE
OF FORT BEND COUNTY ON OR BEFORE THE SPECIFIED TIME/DATE STATED ABOVE.***

RFPs RECEIVED AS REQUIRED WILL THEN BE OPENED AND NAMES READ ALOUD.

RFPs RECEIVED AFTER THE SPECIFIED TIME, WILL BE RETURNED UNOPENED.

Results will not be given by phone.
Results will be provided after final agreement
is approved by Commissioners Court

Requests for information must be in
writing and directed to:
Jaime Kovar
Interim County Purchasing Agent
Jaime.Kovar@fortbendcountytexas.gov

Vendor Responsibilities:

- Download and complete any addendums. (Addendums will be posted on the Fort Bend County website no
Later than 48 hours prior to bid opening)
- Submit response in accordance with requirements stated on the cover of this document.
- DO NOT submit responses via email or fax.



COUNTY PURCHASING AGENT

Fort Bend County, Texas

Vendor Information

Jaime Kovar
Interim County Purchasing Agent

Office (281) 341-8640

Legal Company Name (top line of W9)			
Business Name (if different from legal name)			
Federal ID # or S.S. #			DUNS #
Type of Business	<input type="checkbox"/> Corporation/LLC <input type="checkbox"/> Sole Proprietor/Individual	<input type="checkbox"/> Partnership <input type="checkbox"/> Tax Exempt Organization	Age in Business?
Publicly Traded Business	<input type="checkbox"/> No <input type="checkbox"/> Yes Ticker Symbol _____		
Remittance Address			
City/State/Zip			
Physical Address			
City/State/Zip			
Phone/Fax Number	Phone: _____ Fax: _____		
Contact Person			
E-mail			
Check all that apply to the company listed above and provide certification number.	DBE-Disadvantaged Business Enterprise _____ Certification # _____ SBE-Small Business Enterprise _____ Certification # _____ HUB –Texas Historically Underutilized Business _____ Certification # _____ WBE-Women’s Business Enterprise _____ Certification # _____		
Company’s gross annual receipts	<\$500,000 _____	\$500,000-\$4,999,999 _____	
	\$5,000,000-\$16,999,999 _____	\$17,000,000-\$22,399,999 _____	
	>\$22,400,000 _____		
NAICs codes (Please enter all that apply)			
Signature of Authorized Representative			
Printed Name			
Title			
Date			

THIS FORM MUST BE SUBMITTED WITH THE SOLICITATION RESPONSE

1.0 INTENT:

It is the intent of Fort Bend County “The County” to contract with one (1) professional firm to complete audit services of financial statements of the County offices and departments, Fort Bend County Drainage District, Fort Bend County Community Supervision and Corrections, Fort Bend County Juvenile Probation, Fort Bend County Grand Parkway Tollroad Authority, Fort Bend County Tollroad Authority, and any additional component units that are created by the County. All vendors must comply with all roles and responsibilities in accordance with the U.S. General Accounting Office’s (GAO) *Government Auditing Standards*, the provisions of the federal Single Audit Act of 1984, and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments*.

2.0 GUIDELINES:

By virtue of submitting a proposal, interested parties are acknowledging:

- 2.1 The County reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP. The County reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to meet with select Respondents at any time to gather additional information. Furthermore, the County reserves the right to delete or add scope up until the final contract signing.
- 2.2 All Respondents submitting proposals agree that their pricing is valid for a minimum of ninety (90) days after proposal submission to the County. Furthermore, the County is by statute exempt from the State Sales Tax and Federal Excise Tax; therefore, proposal prices shall not include taxes.
- 2.3 This Proposal does not commit the County to award nor does it constitute an offer of employment or a contract for services. Costs incurred in the submission of this proposal, or in making necessary studies or designs for the preparation thereof, are the sole responsibility of the Respondents. Further, no reimbursable cost may be incurred in the anticipation of award. Proposals containing elaborate artwork, expensive paper and binding and expensive visual or other presentations are neither necessary nor desired.
- 2.4 In an effort to maintain fairness in the process, all inquiries concerning this procurement are to be directed only to the County’s Purchasing Agent in writing. Attempts to contact any other County employee to influence the procurement decision may lead to immediate elimination from further consideration.
- 2.5 When responding to this Proposal, follow all instructions carefully. Submit proposal contents according to the outline specified and submit all hard copy and electronic documents according to the instructions. Failure to follow these instructions may be considered a non-responsive proposal and may result in immediate elimination from further consideration.

3.0 PROPOSAL CONTACT:

This Proposal is being issued by the County Purchasing Agent on behalf of Fort Bend County, Texas. Thus, responses should be directed to the Purchasing Agent, as outlined below. **Respondents are specifically directed NOT to contact any County personnel for meetings, conferences or technical discussions that are related to this Proposal other than specified herein. Unauthorized contact of any County personnel will likely be cause for rejection of the Respondent's proposal. All communications regarding the Proposal shall be directed to the County's Proposal Contact.** Communication with the Proposal Contact is permitted via email, facsimile, or written correspondence.

PROPOSAL CONTACT:

Jaime Kovar
Interim County Purchasing Agent
Fort Bend County Travis Annex
301 Jackson, Suite 201
Richmond, Texas 77469
Jaime.Kovar@fortbendcountytexas.gov

4.0 SUBMISSION REQUIREMENTS:

- 4.1 Submission requirements: one (1) original proposal, four (4) copies, and one (1) electronic response on CD or flash drive are required by RFP opening time of **2:00 PM on Tuesday, May 26, 2020**. CD or flash drive must contain only one (1) file in PDF format and must match written response identically. Failure to provide proper CD or flash drive is cause for disqualification. Proposal shall be submitted to the address shown below. Proposal shall be signed, in ink, by a person having the authority to bind the firm in a contract.

Fort Bend County	Proposal Number: R20-83
Purchasing Department	Due Date: Tuesday, May 26, 2020
301 Jackson, Suite 201	Time: 2:00 PM (CST)
Richmond, Texas 77469	For: Audit Services

- 4.2 Respondents may submit their proposal any time prior to the Opening Date and time. The Respondent's name and address as well as a distinct reference to the Proposal number above shall be marked clearly on the submission. All proposals are time-stamped upon receipt and are securely kept, unopened, until the Opening Date. No responsibility will attach to the County, or any official or employee thereof, for the pre-opening of, post-opening of, or the failure to open a proposal not properly addressed and identified. No oral, telegraphic, telephonic, or facsimile proposals will be considered.
- 4.3 Proposals may be modified or withdrawn prior to the established opening date by delivering written notice to the proposal contact. Any alteration made prior to

opening date and time shall be initialed by the signer of the proposal, guaranteeing authenticity.

- 4.4 Proposals time-stamped after the due date and time will not be considered and will be returned to the Respondent unopened. Regardless of the method used for delivery, respondents shall be wholly responsible for the timely delivery of submitted proposals.
- 4.5 The Respondent's name and address shall be clearly marked on all copies of the proposal.

5.0 INCURRED COSTS:

Those submitting proposals do so entirely at their expense. There is no expressed or implied obligation by the County to reimburse any individual or firm for any costs incurred in preparing or submitting proposals, for providing additional information when requested by the County or for participating in any selection interviews, including discovery (pre-contract negotiations) and contract negotiations.

6.0 ACCEPTANCE:

- 6.1 Submission of any proposal indicates a Respondent's acceptance of the conditions contained in this Proposal unless clearly and specifically noted otherwise in their proposal.
- 6.2 Furthermore, the County is not bound to accept a proposal on the basis of lowest price, and further, the County has the sole discretion and reserves the right to cancel this Proposal, to reject any and all proposals, to waive any and all informalities and or irregularities, or to re-advertise with either the identical or revised specifications, if it is deemed to be in the County's best interests. The County reserves the right to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part and/or negotiate any or all items with individual Respondents if it is deemed in the County's best interest.

7.0 INTERPRETATIONS, DISCREPANCIES, AND OMISSIONS:

- 7.1 It is incumbent upon each potential Respondent to carefully examine these specifications, terms, and conditions. Should any potential Respondent find discrepancies, omissions or ambiguities in this Proposal, the Respondent shall at once request in writing an interpretation from the County's Proposal Contact. Any inquiries, suggestions, or requests concerning interpretation, clarification or additional information shall be made in writing via e-mail only to the County's Proposal Contact, as specified in Section 3.0. Deadline for submission of questions and/or clarification is no later than **Monday, May 18, 2020, at 3:00 PM. (central)**. Requests received after the deadline will not be responded to due to the time constraints of this Proposal process.

- 7.2 The issuance of a written addendum is the only official method by which interpretation, clarification or additional information will be given by the County. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarification will be without legal effect. If it becomes necessary to revise or amend any part of this Proposal, notice will be given by the County Purchasing Agent to all prospective Respondents who were sent a Proposal. The Respondent in their proposal shall acknowledge receipts of amendments. Each Respondent shall ensure that they have received all addenda and amendments to this Proposal before submitting their proposals.

8.0 RETENTION OF RESPONDENT'S MATERIAL:

The County reserves the right to retain all proposals regardless of which response is selected. All proposals and accompanying documents become the property of the County.

9.0 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION:

By submission of a proposal, each Respondent certifies, that in connection with this procurement:

- 9.1 The prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Respondent; with any competitor; or with any County employee(s) or consultant(s) for the purpose of restricting competition on any matter relating to this Proposal.
- 9.2 Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the Respondent and will not knowingly be disclosed by the Respondent prior to award directly or indirectly to any other Respondent or to any competitor; and;
- 9.3 No attempt has been made or will be made by the Respondent to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

10.0 ASSIGNMENT:

The Respondent may not sell, assign, transfer or convey the contract resulting from this Proposal, in whole or in part, without the prior written approval from Fort Bend County.

11.0 CONFIDENTIAL MATTERS:

- 11.1 All data and information gathered by the Respondent and its agents, including this Proposal and all reports, recommendations, specifications, and data shall be treated by the Respondent and its agents as confidential. The Respondent and its agents shall not disclose or communicate the aforesaid matters to a third party or use them in advertising, publicity, propaganda, and/or in another job or jobs, unless written consent is obtained from the County.

- 11.2 Proposals will only be publicly received and acknowledged only so as to avoid disclosure of the contents to competing Respondents and kept secret during negotiation. However, all proposals shall be open for public inspection after the contract is awarded. Trade secrets and any material that is considered to be confidential information contained in the proposal and identified by Respondent as such will be treated as confidential to the extent allowable in the Open Records Act.

12.0 JURISDICTION, VENUE, CHOICE OF LAW:

This Proposal and any contract resulting there from shall be governed by and construed according to the laws of the State of Texas. Should any portion of any contract be in conflict with the laws of the State of Texas, the State laws shall invalidate only that portion. The remaining portion of the contract(s) shall remain in effect. Any lawsuit shall be governed by Texas law and Fort Bend County, Texas shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Proposal process and resulting Agreements.

13.0 INDEPENDENT CONTRACTOR:

The Respondent is an independent contractor and no employee or agent of the Respondent shall be deemed for any reason to be an employee or agent of the County.

14.0 AMERICANS WITH DISABILITIES ACT (ADA)

Proposals shall comply with all federal, state, county, and local laws concerning this type of products/service/equipment/project and the fulfillment of all ADA requirements.

15.0 DRUG-FREE WORKPLACE:

All Respondents shall provide any and all notices as may be required under the Drug-Free Workplace Act of 1988, 28 CFR Part 67, Subpart F, to their employees and all sub-contractors to insure that the County maintains a drug-free workplace.

16.0 STATE LAW REQUIREMENTS FOR CONTRACTS:

The contents of this section are required by Texas Law and are included by County regardless of content.

- 16.1 Agreement to Not Boycott Israel Chapter 2270 Texas Government Code: By signature on vendor form, Contractor verifies Contractor does not boycott Israel and will not boycott Israel during the term of this Contract.
- 16.2 Texas Government Code Section 2251.152 Acknowledgment: By signature on vendor form, Contractor represents pursuant to Section 2252.152 of the Texas Government Code, that Contractor is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153.

17.0 INSURANCE:

- 17.1 All respondents must submit, with RFQ, a current certificate of insurance indicating coverage in the amounts stated below. In lieu of submitting a certificate of insurance, respondents may submit, with submission, a notarized statement from an Insurance company, authorized to conduct business in the State of Texas, and acceptable to Fort Bend County, guaranteeing the issuance of an insurance policy, with the coverage stated below, to the firm named therein, if successful, upon award of this Contract. Failure to provide current insurance certificate or notarized statement will result in disqualification of submittal.
- 17.2 At contract execution, contractor shall furnish County with properly executed certificates of insurance which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days prior written notice to County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form (or a Claims Made form for Professional Liability insurance) from such companies having Best's rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:
- 17.2.1 Workers' Compensation insurance. Substitutes to genuine Workers' Compensation Insurance will not be allowed.
- 17.2.2 Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.
- 17.2.3 Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.
- 17.2.4 Business Automobile Liability coverage with a combined Bodily Injury/Property Damage limit of not less than \$1,000,000 each accident. The policy shall cover liability arising from the operation of licensed vehicles by policyholder.
- 17.2.5 Professional Liability insurance may be made on a Claims Made form with limits not less than \$1,000,000.

- 17.3 County and the members of Commissioners Court shall be named as additional insured to all required coverage except for Workers' Compensation and Professional Liability (if required). All Liability policies including Workers' Compensation written on behalf of contractor, excluding Professional Liability, shall contain a waiver of subrogation in favor of County and members of Commissioners Court.
- 17.4 If required coverage is written on a claims-made basis, contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning from the time that work under the agreement is completed.

18.0 INDEMNIFICATION:

Respondent shall indemnify and hold harmless County against all liability for damages arising from activities of Respondent, its agents, servants or employees, performed under this agreement to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the Respondent, its agents, servants, employees, consultants under contract, or another entity over which the Respondent exercises control. Respondent agrees to reimburse County for reasonable attorney's fees in proportion to Respondent's liability.

- 18.1 Respondent shall timely report all such matters to Fort Bend County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, not later than the fifteenth day of each month; provide Fort Bend County with a written report on each such matter, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of Fort Bend County required by Respondent in the defense of each matter.
- 18.2 Respondent's duty to defend, indemnify and hold Fort Bend County harmless shall not abate or end by reason of the expiration or termination of any contract unless otherwise agreed by Fort Bend County in writing. The provisions of this section shall survive the termination of the contract and shall remain in full force and effect with respect to all such matters no matter when they arise.
- 18.3 In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Respondent, Respondent shall never-the-less fully defend such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts and omissions of Respondent are not at issue in the matter.

- 18.4 The provision by Respondent of insurance shall not limit the liability of Respondent under an agreement.
- 18.5 Respondent shall cause all trade contractors and any other contractor who may have a contract to perform construction or installation work in the area where work will be performed under this request, to agree to indemnify Fort Bend County and to hold it harmless from all claims for bodily injury and property damage that may arise from said Respondent's operations. Such provisions shall be in form satisfactory to Fort Bend County.
- 18.6 Loss Deduction Clause - Fort Bend County shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of deductibles shall be the sole responsibility of Respondent and/or trade contractor providing such insurance.

19.0 CONTRACTUAL OBLIGATIONS:

This Request for Proposals, response and associated documentation, any negotiations and final contract, when properly accepted by Fort Bend County, shall constitute a contract equally binding between the contractor and Fort Bend County.

20.0 TENTATIVE SCHEDULE OF EVENTS:

Release of RFP: May 4, 2020

Deadline for Questions: May 18, 2020

Submission Due Date: May 26, 2020

Evaluation of Submissions: Week of June 1st

Commissioners Court Permission to Negotiate: June 9, 2020

Negotiations: Begin June 10, 2020

Final Contract Approval Commissioners Court: July 7, 2020

21.0 TERM:

This contract is for the period 1 August 2020 through 31 July 2023 renewable for two (2) one-year additional terms under the terms and conditions if mutually agreeable to both parties. Either party for any reason may terminate this contract by giving thirty (30) days written notice of the intent to terminate.

22.0 FEDERAL CLAUSES:

Contractor understands and acknowledges that this Agreement may be totally or partially funded with assistance from a federal and/or state funding agency "Granting Agency". As a condition of receiving these funds, Contractor represents that it is and will remain in compliance with all federal and or state terms as stated below. These terms flow down to all third party contractors and their subcontracts at every tier that exceed the simplified acquisition threshold, unless a particular award term or condition specifically indicates otherwise. The Contractor shall require that these clauses

shall be included in each covered transaction at any tier.

22.1 ADA Access.

The Contractor agrees to comply with all applicable provisions of section 504 of the Rehabilitation Act of 1973, as amended, with 29 U.S.C. § 794, which prohibits discrimination on the basis of disability; with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to individuals with disabilities; and with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to individuals with disabilities, and any subsequent amendments to these laws; (4) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. Part 35; (5) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. Part 36; (6) U.S. General Services Administration (U.S. GSA) regulations, "Accommodations for the Physically Handicapped," 41 C.F.R. Subpart 101-19; (7) U.S. EEOC, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630;

22.2 Child Support.

Per Texas Family Code 231.006, a child support obligor or business entity remains ineligible to receive payments from state funds under a contract to provide property, materials, or services; or a state funded loan until: (1) All arrearages have been paid; (2) the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency; or (3) the court of continuing jurisdiction over the child support order has granted the obligor an exemption from ineligibility as part of a court-supervised effort to improve earnings and child support payments.

Before payment can be released Contractor will supply County with the name and social security number of the individual or sole proprietor and each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity.

Under Section 231.006, Family Code, the Contractor certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.

22.3 Civil Rights/Nondiscrimination Requirements.

Nondiscrimination Contractor will comply, with the nondiscrimination requirements which may include the Civil Rights Act of 1964 (42 USC § 2000d); the Civil Rights Act of 1968 (42 USC § 3601 et seq.); the Rehabilitation Act of

1973 (29 USC § 794); the Americans With Disabilities Act (ADA) of 1990 (42 USC § 12131-34); the Education Amendments of 1972 (USC §§ 1681, 1683, 1685-86); Title IX of the Education Amendments of 1972 (Equal Employment in Education Act) (20 USC § 1681 et seq.); the Age Discrimination Act of 1975 (42 USC §§ 6101-07); Titles I, II and III of the Americans with Disabilities Act; the Drug Abuse and Treatment Act of 1972 (PL 92-255); the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (PL 91-616); Sections 523 and 527 of the Public Health Service Act of 1912 (42 USC §§ 290dd-3 and 290ee-3); and 28 CFR 38 (Equal Treatment for Faith-Based Organizations); see Ex. Order 13279 (equal protection of the laws for faith-based and community organizations) and Ex. Order 13559 (fundamental principles and policymaking criteria for partnerships with faith-based and neighborhood organizations).

More specifically, Contractor will comply with:

22.3.1 Civil Rights Act of 1964

Contractor must comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

22.3.2 Civil Rights Act of 1968

Contractor must comply with Title VIII of the Civil Rights Act of 1968, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (See 42 U.S.C. Section 3601 et seq.), as implemented by the Granting Agency at 24 C.F.R. Part 100.

22.3.3 Rehabilitation Act of 1973

Contractor must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. Section 794), as amended, which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

22.3.4 Education Amendments of 1972

Contractor must comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. Section 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance.

22.3.5 Americans with Disabilities Act of 1990

Contractor must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities. (42 U.S.C. Sections 12101- 12213).

22.3.6 Age Discrimination Act of 1975

Contractor must comply with the requirements of the Age Discrimination Act of 1975 (Title 42 U.S. Code, Section 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.

22.4 Clean Air.

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq . The Contractor agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to Granting Agency and the appropriate EPA Regional Office. The Contractor agrees it will not use any violating facilities. It will report the use of facilities placed on or likely to be placed on the U.S. EPA “List of Violating Facilities”. It will report violations of use of prohibited facilities to the Granting Agency.

The Contractor also agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Granting Agency.

22.5 Clean Water.

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the Granting Agency and the appropriate EPA Regional Office. The Contractor agrees it will not use any violating facilities. It will report the use of facilities placed on or likely to be placed on the U.S. EPA “List of Violating Facilities”. It will report violations of use of prohibited facilities to the

Granting Agency.

The Contractor also agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Granting Agency.

22.6 Compliance with Federal Law, Regulations, and Executive Orders.

Contractor's attention is called to the fact that any contract between County and the selected respondent(s) will be subject to financial assistance contracts between the County and various State or Federal agencies. The Agreement to be awarded, therefore, is subject to the terms of these agreements and will not proceed without these agreements having been duly executed. The Contractor will be required to comply with, in addition to other provisions of the agreement, the conditions required by applicable federal regulations. Contractor will comply with all applicable federal law, regulations, executive orders, policies, procedures, and directives.

22.7 Copyright.

Contractor will affix the applicable copyright notices of 17 USC § 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under Federal financial assistance awards, unless the work includes any information that is otherwise controlled by the Government (e.g. classified information or other information subject to national security or export control laws or regulations.)

22.8 Cooperation with Monitoring, Audits and Records Requirements.

The Contractor agrees to cooperate with the Granting Agency on any compliance review or complaint investigation conducted by the Granting Agency and on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits.

The Contractor agrees to provide County, Granting Agency, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to the Agreement for the purposes of making audits, examinations, excerpts and transcriptions. The Contractor will similarly permit access to facilities, personnel, and other individuals and information as may be necessary.

The Contractor authorizes the County, Granting Agency, the Comptroller General of the United States, and any of their authorized representatives, the right to audit, examine, and copy all paper and electronic records, books, documents, accounting procedures, practices, and any other requested records, in any form; relevant to this Agreement and will make them readily available upon request.

22.9 Debt to State

The State shall not be responsible for any debts associated with this Agreement.

22.10 Disputes and Resolutions.

The parties shall attempt in good faith to resolve promptly any dispute arising out of or relating to the Agreement by negotiation between the parties. Disputes arising in the performance of this Agreement that are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the County. This decision shall be final and conclusive unless within ten [10] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the County. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the County shall be binding upon the Contractor and the Contractor shall abide by the decision.

22.11 Drug-Free Workplace.

Contractor must provide a drug-free workplace in accordance with the Drug-Free Workplace Act, as applicable. For the purposes of this Section, “drug-free” means a worksite at which employees are prohibited from engaging in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance. Contractor may request a copy of this policy upon contract award.

22.12 Energy Policy and Conservation Act.

The Contractor must comply with the requirements of The Energy Policy and Conservation Act (42 U.S.C. Section 6201) which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

22.13 Government-wide Debarment and Suspension.

The Contractor shall comply and facilitate compliance with the U.S. Office of Management and Budget (U.S. OMB) “Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” 2 C.F.R. part 180. A contract award in any tier must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders Nos. 12549 (3 C F R part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order No. 12549. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit

(irrespective of the contract amount).

This certification is a material representation of fact relied upon by the County. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to Granting Agency and County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

Contractor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

22.14 Byrd Anti-Lobbying Amendment.

Contractor shall file the certification required by 49 C.F.R. Part 20, "New Restrictions on Lobbying." Contractor certifies that it and all its subcontractors at every tier will not and have not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, award, including any extension, continuation, renewal, amendment, or modification covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352.

22.15 Program Fraud, False Claims Act and Program Fraud Civil Remedies.

Contractor must comply with the requirements of The False Claims Act (31 U.S.C. Section 3729-3733) which prohibits the submission of false or fraudulent claims for payment to the federal government. (See also 31 U.S.C. Section 3801-3812 which details the administrative remedies for false claims and statements made and 38 USC § 3801-3812 which details the administrative remedies for false claims and statements made.)

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq., apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to Agreement or the Granting Agency assisted project for which the Agreement work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or

fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by Granting Agency, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

The Contractor agrees to include the above three clauses in each subcontract financed in whole or in part with Federal assistance. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

22.16 Reporting of Fraud, Waste, and Abuse.

Contractor understands that in the event County becomes aware of any allegation or a finding of fraud, waste, or misuse of funds received from the Granting Agency made against the Contractor, the County is required to immediately notify Granting Agency of said allegation or finding and to continue to inform the Granting Agency of the status of any such on-going investigations. The County must also promptly refer to Granting Agency any credible evidence that a principal, employee, agent, contractor, subcontractor, or other person has -- (1) submitted a claim for award funds that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving award funds. County must also immediately notify Granting Agency in writing of any misappropriation of funds, fraud, theft, embezzlement, forgery, or any other serious irregularities indicating noncompliance with grant requirements. County must notify the local prosecutor's office of any possible criminal violations.

22.17 Political Activities.

Contractors are prohibited from using federal funds directly or indirectly for political purposes, including polling, lobbying or advocating for legislative programs or changes; campaigning for, endorsing, contributing to, or otherwise supporting political candidates or parties; and voter registration or get-out-the-vote campaigns. Generally, organizations or entities which receive federal funds by way of grants, contracts, or cooperative agreements do not lose their rights as organizations to use their own, private, non-federal resources for "political" activities because of or as a consequence of receiving such federal funds. Contractor must thus use private or other non-federal money, receipts, contributions, or dues for their political activities, and may not charge off to or be reimbursed from federal

contracts or grants for the costs of such activities.

22.18 Resource Recovery.

The Contractor agrees to provide a preference for those products and services that conserve natural resources, protect the environment, and are energy efficient by complying with and facilitating compliance with Section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962, and U.S. Environmental Protection Agency (U.S. EPA), “Comprehensive Procurement Guideline for Products Containing Recovered Materials,” 40 C.F.R. part 247.

22.19 Retention of Records.

The Contractor agrees to comply and will require all subcontractors of any tier to comply with the record retention requirements in accordance with 2 C.F.R. 200.333. The Contractor agrees to retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, all books, records, accounts, statistics, leases, subcontracts, arrangements other third party arrangements of any type, reports, and supporting materials related to those records required under the Agreement for a period of not less than five (5) years after the date of termination or expiration of the Agreement, except in the event of litigation or settlement of claims arising from the performance of the Agreement, in which case Contractor agrees to maintain same until County, the Granting Agency, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. The Granting Agency reserves the right to direct a grantee to retain documents for a longer period of time or transfer certain records to Granting Agency when it is determined the records possess longer term retention value.

22.20 Prompt Payment.

The Contractor is required to pay its subcontractors performing work related to the Agreement for satisfactory performance of that work no later than 30 days after the Contractor’s receipt of payment for that work from County. In addition, the Contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor’s work is satisfactorily completed.

22.21 *USA Patriot Act of 2001.*

Contractor must comply with requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. Sections 175-175c.

22.22 No Obligation by Federal Government.

The Federal Government is not a party to this Agreement and is not subject to any obligations or liabilities to the County, Contractor, or any other party pertaining to any matter resulting from the contract.

22.23 *Notice of Funding Opportunity.*

All of the instructions, guidance, limitations, and other conditions set forth in the federal Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the award terms and conditions.

22.24 Contracting with Small, Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms.

Contractor will take all necessary, affirmative steps to assure that qualified small and minority businesses, women's business enterprises, and labor area surplus firms are used when possible by:

22.24.1 Placing small and minority businesses and women's business enterprises on solicitation lists.

22.24.2 Assuring that it solicits small and minority businesses and women's business enterprises whenever they are potential sources.

22.24.3 Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises.

22.24.4 Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises;

22.24.5 Utilizing the assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

22.24.6 Contractor must require subcontractors to take the five affirmative steps described in a-e above.

23.0 BASIC SCOPE OF SERVICES:

23.1 Audit financial statements of the governmental activities, the aggregate discretely component units each major fund, and the aggregate remaining fund information as of September 30, 2020 and for the year then ended, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.

- 23.2 Audit the County's compliance over major federal and state award programs for the year ended September 30, 2020.
- 23.3 Audit to be conducted with the objectives of firm's expressing an opinion on each opinion unit and an opinion on compliance regarding the County's major federal and state award programs.
- 23.4 Accounting principles generally accepted in the United States of America require that the management's *discussion and analysis* be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *Governmental Accounting Standards Board* (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Firm will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to inquiries. Firm will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America:
 - 23.4.1 Management's Discussion and Analysis
 - 23.4.2 General Fund Budgetary Schedule
 - 23.4.3 Required Supplementary Pension System Information
 - 23.4.4 Other Post-Employment Benefit (OPEB) Information
- 23.5 Supplementary information other than RSI to accompany the County's basic financial statements. Firm to subject the following supplementary information to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America.
- 23.6 Schedule of Expenditures of Federal and State Awards. Firm to subject the schedule of expenditures of federal and state awards to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. Firm to

provide an opinion on whether the schedule of expenditures of federal and state awards is presented fairly in all material respects in relation to the financial statements as a whole.

- 23.7 Data Collection Form. Prior to the completion firm to complete the sections of the Data Collection Form that are their responsibility. The form will summarize the audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. Firm to assist you in the electronic submission and certification.
- 23.8 Audit of the Financial Statements. Firm to conduct audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the audit requirements of the State of Texas Single Audit Circular (Uniform Grant Management Standards). Those standards, the Uniform Guidance, and the Uniform Grant Management Standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.
- 23.9 Audit to include evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions.
- 23.10 Audit of Major Program Compliance. Audit of the County's major federal and state program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; the Uniform Guidance and the Uniform Grant Management Standards, where applicable, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, the Uniform Grant Management Standards, where applicable, and other

procedures considered necessary to enable firm to express such an opinion on major federal and state award program compliance and to render the required reports.

24.0 EVALUATION CRITERIA:

In order to facilitate the analysis of responses to this Proposal, Respondents are required to prepare their proposals in accordance with the instructions outlined in this part. Proposals should be prepared as simply as possible and provide a straightforward, concise description of the Respondent's capabilities to satisfy the requirements of the Proposal. Emphasis should be concentrated on accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled.

- 24.1 Respondents are required to follow the outline below when preparing their proposals:

Tab	Title
	Title Page
	Table of Contents
	Executive Summary
1	Understanding Requirements
2	Firm Experience
3	Fee
4	Overall Completeness of Submission

- 24.2 Any exceptions to the Proposal requirements shall be identified in the applicable section.

- 24.3 Proposals shall be no more than 25 pages, single-sided using 12 point or greater font size, not including resumes. Each resume shall be 2 page maximum, single-sided using 12 point or greater font size. Proposal pages shall be numbered and bound, or in a 3-ring binder with the proposing Respondent's name clearly indicated on the cover.

- 24.4 Executive Summary - This section should be limited to a brief narrative highlighting the company's background and experience. Narrative should clearly demonstrate compliance with qualifications listed in the RFP specifications. Include length of time the company has been in business.

- 24.5 Respondents will be evaluated utilizing the factors, as weighted below:

Tab 1
Understanding Requirements (weight factor = 40%)

- Demonstrate how Respondent will accomplish all elements of requirements. Include methodology that will be utilized and collaboration.

Tab 2

Firm Experience (weight factor = 30%)

- Provide a minimum of three (3) references of audit services held in the past two (2) years. References to include the client's name, contact name, phone and email address.

Tab 3

Fee (weight factor = 25%)

- Provide detailed pricing schedule.

Tab 4

Overall completeness of submission (weight factor = 5%)

- Proof of insurance
- Required forms

25.0 PRE-RFP CONFERENCE:

There is no pre-RFP conference for this project.

26.0 AWARD:

RFP will be evaluated by a committee comprised of County staff. The committee will review Request for Proposals submitted and may develop a short list of not more than four (4) firms. These firms may be requested to submit additional information and may be invited for a presentation with the Committee. Based on further review after the interviews, the committee will forward their recommendations to the Fort Bend County Commissioners Court.

27.0 TEXAS ETHICS COMMISSION FORM 1295:

- 27.1 Effective January 1, 2016 all contracts executed by Commissioners Court, regardless of the dollar amount, will require completion of Form 1295 "Certificate of Interested Parties", per the new Government Code Statute §2252.908. All vendors submitting a response to a formal Bid, RFP, RFQ or any contracts, contract amendments, renewals or change orders are required to complete the Form 1295 online through the State of Texas Ethics Commission website. Please visit:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

- 27.2 On-line instructions:

27.2.1 Name of governmental entity is to read Fort Bend County.

27.2.2 Identification number use: RFP 20-083

27.2.3 Description is: Audit Services

27.3 Highest evaluated vendor(s) will be required to provide the Form 1295 within three (3) calendar days from notification; however, if your company is publicly traded you are not required to complete this form.

28.0 HUMAN TRAFFICKING:

By acceptance of this contract, Contractor acknowledges that Fort Bend County is opposed to human trafficking and that no County funds will be used in support of services or activities that violate human trafficking laws.

29.0 REQUIRED FORMS:

All respondents submitting are required to complete the attached/included and return with submission:

29.1 Vendor Form

29.2 W9 Form

29.3 Tax Form/Debt/Residence Certification

29.4 No Bid/RFP Questionnaire (if applicable)

30.0 ENCLOSURE:

30.1 Fort Bend County Travel Policy

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number									
				-				-	
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

***Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Job No.: _____

TAX FORM/DEBT/ RESIDENCE CERTIFICATION
(for Advertised Projects)

Taxpayer Identification Number (T.I.N.): _____

Company Name submitting Bid/Proposal: _____

Mailing Address: _____

Are you registered to do business in the State of Texas? ☐ Yes ☐ No

If you are an individual, list the names and addresses of any partnership of which you are a general partner or any assumed name(s) under which you operate your business

I. **Property:** List all taxable property in Fort Bend County owned by you or above partnerships as well as any d/b/a names. Include real and personal property as well as mineral interest accounts. (Use a second sheet of paper if necessary.)

Fort Bend County Tax Acct. No.*

Property address or location**

* This is the property account identification number assigned by the Fort Bend County Appraisal District.

** For real property, specify the property address or legal description. For business personal property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored at a warehouse or other location.

II. **Fort Bend County Debt** - Do you owe any debts to Fort Bend County (taxes on properties listed in I above, tickets, fines, tolls, court judgments, etc.)?

☐ Yes ☐ No

If yes, attach a separate page explaining the debt.

III. **Residence Certification** - Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Fort Bend County requests Residence Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

(3) "Nonresident bidder" refers to a person who is not a resident.

(4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

☐ I certify that _____ is a Resident Bidder of Texas as defined in Government Code §2252.001.
[Company Name]

☐ I certify that _____ is a Nonresident Bidder as defined in Government Code §2252.001 and our principal place of business is _____.

[City and State]

Signature:

Annex B

Fort Bend County Travel Policy

Approved in Commissioners' Court on November 3, 2009

Effective November 4, 2009

Revised September 7, 2010

Revised June 2, 2015, Effective August 1, 2015

Revised July 28, 2015, Effective August 1, 2015

Revised July 26, 2016, Effective August 1, 2016

Revised December 12, 2017, Effective January 1, 2018

The Commissioners' Court allocates funds annually for the payment of travel expenditures for county employees and officials within the individual departmental budgets. Travel expenditures paid from these budgets must serve a public purpose for Fort Bend County. These expenditures may be paid directly to the vendor or provided as a reimbursement to the employee/official upon completion of their travel. Advance payments to vendors may be accommodated by issuance of a check or use of a County procurement card. Eligible expenditure categories under this policy include: Lodging, meals, transportation, registration fees, and other fees (with justification). Each category is further defined below.

CONTRACT RATES:

Fort Bend County is a 'Cooperative Purchasing Participating Entity' with the State of Texas. This program is also known as TPASS (Texas Procurement and Support Services) State Travel Management Program (STMP). This gives County employees and officials access to the contract rates negotiated by the State for hotels and rental cars. Procurement procedures for these contract services are explained within the categories below.

OUT OF STATE TRAVEL:

Authorization: The traveler must obtain Commissioners' Court approval for out-of-state travel before departure. The duration must include travel days along with the event scheduled days. To prevent delays in processing travel reimbursement, ensure that the travel duration is accurately defined when submitting the agenda request.

Documentation: The traveler must provide an excerpt from the Commissioners' Court minutes (<http://www.fortbendcountytexas.gov/index.aspx?page=55>) with the travel reimbursement form.

LODGING (In and Out of State):

Hotel:

Hotel reimbursements are limited to the Federal Travel Regulations set forth by US General Services Administration (GSA) by location not including taxes. The rates are set annually and vary by month and location. The maximum rates for lodging per day can be found at:

http://www.gsa.gov/portal/content/104877?utm_source=OGP&utm_medium=print-radio&utm_term=perdiem&utm_campaign=shortcuts based on travelers destination.

Fort Bend County is a 'Cooperative Purchasing Participating Entity' with the State of Texas. This gives County employees and officials access to the contract rates negotiated by the State for hotels. Participating hotels can be found at: https://portal.cpa.state.tx.us/hotel/hotel_directory/index.cfm (be sure to check the correct fiscal year).

Traveler must verify confirmed rate matches the negotiated contract rates found on the State's website listed above and does not exceed the GSA daily allowance.

If the organizer of a conference/seminar has negotiated discount rates with a hotel(s), the traveler may choose these lodging services without penalty but the traveler must reserve the room at the group rate and provide documentation of the group rate with reimbursement request.

The traveler will be responsible for the excess charge over the GSA per diem rate for the city/county even if using the State rate. The Auditor's Office will deduct from the travelers' reimbursement any excess charges over the GSA per diem rate. Travel websites including but not limited to Expedia and Travelocity should not be used to book lodging.

Travel Days: If the traveler must leave before 7:00AM to arrive at the start of the event and/or return to the County after 6:00PM after the event concludes, an additional night's lodging is allowable before and/or after the event.

Additional fees allowable: Self-parking

Additional fees allowable with justification: Valet parking is allowable if an extreme hardship exists due to physical disability of the traveler or if no self-parking is available.

Fees not allowable: Internet, phone charges, laundry, safe fees

Gratuities: Gratuities are not reimbursable for any lodging services.

Overpayments by County: Any lodging overpayment by the County must be reimbursed by the hotel before processing a reimbursement to the traveler for any of the categories addressed in this policy. Prepaid lodging services should be accurately calculated or underestimated by excluding the taxes to prevent delays in processing travel reimbursements.

Procurement Card: The traveler may use the procurement card to make lodging reservations. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: **A final settled hotel bill with a zero balance from the front desk is required even if lodging is paid by the procurement card. The hotel bill left under the door is not acceptable.** The hotel bill should be scrutinized before traveler departs to make sure all charges are valid and notify hotel of any invalid charges and resolve issues before departing. Make sure all parking has been added to your bill and all personal incidentals have been paid by traveler. Any invalid charges will be the responsibility of the traveler. A copy of the itemized hotel statement must be submitted with the travel reimbursement claim if the traveler used a County procurement card to purchase lodging services or prepaid by County check. Event agenda/documentation or a letter from the traveler describing the event/meeting is required. If utilizing conference negotiated hotel rates, documentation of rates is required.

Changes/Modifications to Reservation – Any modifications including cancellation of reservation, the traveler must obtain a confirmation number and note the name of the person they spoke with in case the hotel charges the traveler. If the traveler does not obtain a confirmation number then any expenses incurred will be the responsibility of the traveler. Expenses resulting from changes or modifications to travel reservations will be paid by the County if the traveler produces documentation that a family emergency exists.

County Exemption Status – Fort Bend County Employees traveling on County Business are not exempt from State and local hotel taxes, state taxes, etc. with the exception of District Judges and the District Attorney.

MEALS:

Texas: Meals including gratuities will be reimbursed to the traveler at a flat rate of \$36/day. The travelers per diem on the departure day and final day of travel will be at 75% of the per diem which is \$27/day.

Out-of-state: Meals including gratuities will be reimbursed to the traveler at a flat rate of \$48/day. The travelers per diem on the departure day and final day of travel will be at 75% of the per diem which is \$36/day.

Late Night Arrival – If a traveler arrives in Fort Bend County between midnight and 6am the traveler will receive a full day per diem for the previous day.

Day trips: Meals will not be reimbursed for trips that do not require an overnight stay.

Procurement Card: No meal purchases are allowed on any County procurement card.

Documentation: No meal receipts are required for reimbursement. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

TRANSPORTATION:

Personal Vehicle: Use of personal vehicle will be reimbursed at the current rate/mile set by Commissioners' Court. Mileage should be calculated using the County office location of the traveler and the event location. Mileage may not be calculated using the traveler's home. Mileage should be calculated using an employee's vehicle odometer reading or by a readily available online mapping service for travel out of Fort Bend County. If using the mileage of an online mapping service, state which mapping service was used or provide a printout of your route detailing the mileage. For local travel, odometer readings or mapping service details are not required. Departments should develop a mileage guide for employees for local travel points, if a department does not have a mileage guide, the Auditor's Office will determine if the mileage listed is reasonable.

Allowable expenses: Parking and tolls with documentation.

County Vehicle: Fuel purchases when using a County vehicle should be made with the County Procurement card if available. Original receipts will accompany the Procurement Card statement but a copy must be provided with the travel reimbursement request.

Allowable expenses: Parking and tolls with documentation required.

Airfare: Airfare is reimbursable at the lowest available rate based on 14 day advance purchase of a discounted coach/economy full-service seat based on the required arrival time for the event. The payment confirmation and itinerary must be presented with the travel reimbursement form. The traveler will be responsible for the excess charges of an airline ticket purchase other than a coach/economy seat. When using Southwest Airlines a traveler should choose the "wanna get away" flight category.

Allowable Expenses: Bag fees. Fare changes are allowable if business related or due to family emergency.

Unallowable Expenses/Fees: Trip insurance, Early Bird Check In, Front of the line, Leg Room, Fare changes for personal reasons.

Rental Car: Rental cars are limited to the negotiated TPASS rates listed at: <http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/vendor-comparison/>. The contact information for Avis is listed here: <http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/Avis/>. The contact information for Enterprise is listed here: <http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/Enterprise/>. When making a reservation traveler should provide the County's [REDACTED] The traveler will not be reimbursed for any amount over the negotiated contract rates if a non-contract company is used at a higher rate. The traveler should

select a vehicle size comparable to the number of County travelers. The traveler may use a non-contract vendor at an overall rate lower than the contract rates with no penalty. The original contract/receipt must be presented with the travel reimbursement form or a copy if a County procurement card is used. . The traveler will be responsible for any excess charges not included in the TPASS rates or for choosing a vehicle size not comparable with the number of travelers on the trip. Insurance is included in the negotiated TPASS rates, if a traveler chooses to take out additional insurance the cost is on the traveler.

Enterprise:

● [REDACTED]
● [REDACTED]
● [REDACTED]

Avis:

● [REDACTED]
● [REDACTED]

Unallowable Fees/Charges: GPS, prepaid fuel, premium radio, child safety seats, additional insurance, one way rentals.

Allowable expenses: Parking and tolls allowed with documentation.

Other Transportation: Other forms of transit (bus, taxi, train) are reimbursable with an original receipt.

Gratuities: Gratuities are permitted if original receipt includes gratuity (20% maximum allowed) for any transportation services.

Procurement Card: The traveler may use a County procurement card to make transportation reservations for air travel and rental car services. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: Original receipts are required for all transportation reimbursements paid by the traveler. Transportation services obtained with a County procurement card require a copy of the receipt. Additional requirements are noted within each category above. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

REGISTRATION:

Registration fees: Registration fees are reimbursable for events that serve a Fort Bend County purpose. Registration fees for golf tournaments, tours, guest fees and other recreational events are not reimbursable.

Procurement Card: The traveler may use a County procurement card to register for an event. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: An original receipt must be obtained upon registration and submitted with the reimbursement request if paid by the traveler. A copy of the receipt must be provided if registration is paid on a County procurement card. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

GRANTS:

Travel expenditures from Federal and State grants must also conform to the granting agency's funding requirements.

TRAVEL REIMBURSEMENT FORM:

The traveler must use the current travel reimbursement form (<http://econnect/index.aspx?page=55>) for all travel related services addressed in this policy. No other expenditures may be submitted for reimbursement on the travel reimbursement form. After completing all required information, the travel form must be signed/dated by the traveler and the department head/elected official. Travel reimbursement request should be submitted within 30 days from when traveler returns from trip. Mileage reimbursement request should be submitted no less frequently than quarterly. Mileage reimbursement request for the fourth quarter should be submitted no later than October 30th for yearend processing.

EXCLUSIONS:

If the traveler has custody of a person pursuant to statute or court order or if the traveler is required by court or legal entity to appear at a particular time and place the traveler will not be penalized for accommodations that require a 14 day advance purchase ticket if travel is required with less than 14 days' notice.

If the traveler has custody of a person pursuant to statute to court order the traveler will not be held to the 75% per diem on the departure and final day of travel.

Exhibit B:
Proposal for Audit Services
dated May 26, 2020



Fort Bend County, Texas



*Proposal for Audit Services
In response to
RFP No. 20-083
Audit Services*

May 26, 2020

Christopher L. Breaux, CPA
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Tab 5- The Team/Biographies

The Team/Biographies



EXECUTIVE SUMMARY

We are pleased to submit our proposal in response to your request to objectively provide professional audit services for the Fort Bend County, Texas (the “County”) for the fiscal years ending September 30, 2020 through 2022, with an option to renew for two (2) one-year additional terms. Our firm welcomes this opportunity to describe our capabilities and to provide evidence of our sincere desire to serve you. We believe our proposal demonstrates our resources, governmental accounting experience and philosophy of providing superior service to our clients.

We understand the dynamic and vibrant environment that is Fort Bend County. Rooted in this community, our auditors are appreciative of the diversity of its people and the needs that span an urban, suburban and rural landscape that is changing every day with development and redevelopment at a dizzying pace.

Significant *Texas Governmental* experience and Dedicated Public Sector Team

Work in the area of Texas governments is a significant portion of our firm’s practice. Although founded in 1983, Whitley Penn has public sector auditing roots that stretch back into the early 1970’s in Galveston, Harris and Fort Bend Counties. We currently serve as auditors for over 80 governmental entities across the State of Texas from El Paso to Port Arthur and from Dallas to Freeport. Our partners have been recognized for their expertise and have conducted seminars on various governmental accounting, auditing and financial reporting topics for the Texas Society of CPAs, other CPA firms, the Texas Association of School Business Officials and the Government Finance Officers Association of Texas. We have a dedicated Public Sector group. These individuals work solely on governmental entities all year round. Our partners hold the **Advanced Single Audit Certificate** issued by the AICPA.



The firm is licensed to practice in the State of Texas and is independent of the County as defined by *Government Auditing Standards* issued by the Comptroller General of the United States

Experienced Engagement Leadership

The Whitley Penn Public Sector Team offers four partners, with experience ranging from 11 to 40 years, who are dedicated to the governmental practice. All of our management staff receives annual training in governmental auditing, accounting and financial reporting. Our firm is also in the process of planning and performing the services you have requested for our existing governmental clients.

Our Public Sector staff has extensive experience with governmental auditing and financial reporting, federal and state program auditing and compliance, and dealing with federal and state agencies overseeing a wide variety of grants. Whitley Penn is also a member of the **Government Audit Quality Center of the American Institute of Certified Public Accountants**. All of our Public Sector staff receives required training in accordance with GAO guidelines for a total of 40 instructional hours annually. Additionally, members of our management cohort have extensive experience serving as instructors throughout the state of Texas for governmental entities, professional organizations and conferences, and other CPA firms.



EXECUTIVE SUMMARY

Continuity of Staff

In order to give the County a chance for a fresh perspective, we have provided, as an attachment the biographies of a number of our partners, managers and seniors who are all at your disposal to provide professional services tailored to the County's needs and circumstances. We appreciate the opportunity to serve the Fort Bend County and we look forward to meeting with you and discussing further how we can work together. We hope to be able to continue partnering with you, in fulfilling your fiduciary responsibilities by providing you with the highest level of service to better equip you to meet the challenges of the future. This proposal is a firm and irrevocable offer for 90 days from the date of the County's receipt of the proposal.

We have exceptionally low turnover in our firm as compared to other public accounting firms. This means that you can count on our firm and our people being available year after year to continue meeting your needs, which will improve efficiency and effectiveness.

Knowledgeable Professionals in Many Fields - Best in Class Service

Our firm is a regional firm with more than 500 people in Austin, Dallas, Fort Worth, Houston, Plano, and Texas City with diverse experience and knowledge. Whitley Penn, LLP is the 44th largest firm in the nation based on 2019 rankings and one of the fastest growing firms in the nation. We have an extensive team of experienced audit, tax, and valuation professionals that we will be able to draw upon as needed. For the past seventeen years Whitley Penn, LLP was named in the "Best of the Best" listing in INSIDE Public Accounting report of the top 25 accounting firms in the country. INSIDE Public Accounting is a national monthly publication that reports on the accounting industry. Sixty-five (65%) percent of our professionals are CPAs, which is significantly higher than other firms in our markets. You will receive "best of class" service from highly competent professionals.



CPE Training

Whitley Penn's Public Sector Team is well known in this industry for their knowledge and experience. As a result, our firm's partners are called upon to present to organizations such as the Texas Association of School Business Officials, the Texas Society of CPAs, other CPA firms, Texas Municipal League, and the Government Finance Officers Association of Texas. Whitley Penn also offers this training to our clients at a very minimal cost. **We are proud to offer 8 hours of CPE each year for your staff.**



TAB 1

UNDERSTANDING REQUIREMENTS



1.1 AGREEMENT WITH REQUIREMENTS

We agree with and confirm we will comply with all requirements laid out in the RFP 20-083 document and understand that document may be a part of any final agreement.

We agree with and affirm our understanding of the basic scope of services as outlined in section 23.0 of RFP 20-083 and have summarized the same as follows:

- We will audit financial statements of the governmental activities, the aggregate discretely presented component units each major fund, and the aggregate remaining fund information as of September 30, 2020 and for the year then ended, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.
- Our audits will be conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America and will include a report on internal controls and compliance over financial reporting.
- We will apply certain limited procedures as described in section 23.4 and professional standards to the required supplementary information (RSI) enumerated in the same section.
- We will subject the other supplementary information to include the schedules of expenditures of federal and state awards described in sections 23.5 and 23.6 to the auditing procedures applied in the audit of the basic financial statements in order to express an opinion as to their fair presentation in relation to the basic financial statements noted above.
- We will conduct an audit the County's compliance over major federal and state award programs for the year ended September 30, 2020 as well as report on the internal controls surrounding such compliance; in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the audit requirements of the State of Texas Single Audit Circular (Uniform Grant Management Standards).
- Prior to the submission for the Data Collection Form to the Federal Single Audit Clearinghouse, we will complete the sections of the Form that are our responsibility. We will assist the County Auditor's Office with advice in the electronic submission and certification of the financial reporting package is text searchable, unencrypted, and unlocked as required.

We anticipate the County Auditor's Office personnel will take responsibility for and produce all required financial statements contemplated under this agreement. We will, of course, be standing by for any technical assistance that might be required to further this objective.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology

Our firm thoroughly understands the nature of the work to be performed and has developed programs of procedures designed specifically for these engagements. In addition to the heavy involvement of our partners and managers, our staff will have familiarity with the County's general operating environment due to their ongoing involvement with other governmental clients.

A brief overview of the different phases or segments of our audit process is as follows:

The Planning and Risk Assessment Phase

Prior to any fieldwork being performed, strategic planning sessions are held both internally and with the County's staff to identify key audit and operational issues and to establish communications with appropriate firm and County staff and relevant third parties, as well as to determine timing and individual responsibility schedules. Additionally, the audit team will gain an understanding of the County's controls and operations surrounding financial activity and develop a plan of action or risk assessment for auditing key areas and account balances.

Fieldwork

Our audit programs for the County will include procedures related to the review and evaluation of internal administrative and accounting control noted above as well as the determination of compliance with finance related legal issues, the evaluation of errors and fraud, statistical sampling and analytical procedures designed to determine reasonableness of costs that can lead toward evaluating efficiency and effectiveness in administrative operations.

Throughout the fieldwork process, our partners and staff remain in constant contact and communication with County management personnel. When questions or concerns arise in the course of our work, we take steps to assure ourselves that critical information is passed on to the proper level of management through weekly meetings and discussions.

Report Issuance and Closure

We **do not like surprises** so any deficiencies, significant deficiencies or material weaknesses would be discussed with management prior to including it in the report and presenting the results to the Commissioners Court. We believe that both the auditee and auditor must agree on the facts and ensure that there isn't documentation that could clear any deficiencies of which we were previously unaware. We find this method of exiting on the audit process brings the most value to our clients.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Report Issuance and Closure (continued)

Report issuance and exit conferences of an audit are often the most critical portions because it is in this phase that most external communications are discussed. The results of our audit will be reviewed with the appropriate level of management, to include the Commissioners Court and executive levels of staff, prior to the issuance of a report on internal controls and compliance matters. This review of findings and proposed recommendations with management will lead to a plan of action for County management to make any needed improvements in a manner that is not only theoretically, but practically sound. We find this method of exiting on the audit process brings the most value to our clients.

We will work with your financial management team in the process of building the County's Comprehensive Annual Financial Report, to eliminate any unknowns in the financial statement presentation process.

Sample Sizes and Audit Sampling

Because it would not be cost effective to test 100 percent of items within an account balance or class of transactions for the purpose of evaluating some characteristic of the balance or class in our tests of controls and compliance with laws and regulations, we sample.

In the course of an audit, we will apply sampling techniques in our substantive testing of account balances and transaction classes if the application of such techniques is deemed more effective and efficient.

The sample sizes and the extent of the use of samples depends on various factors including population size and the inherent risks associated with the account, transaction class, controls, or compliance features. In the planning and fieldwork stages of the audit, we will thoroughly discuss the population sizes, and the risk factors associated with significant financial statement accounts with appropriate financial management personnel. These discussions will include a methodology for selecting a sample as well as an approach for gathering the sample that will be the least intrusive to ongoing financial operations of the County, its component units and departments

We will also utilize statistical sampling techniques to be used for testing of controls and testing compliance with laws and regulations. We will apply various statistical sampling techniques based on the substance of the population. Statistical sampling techniques to be applied include a combination of random sampling, systematic sampling, and monetary unit sampling. Also, through the use of advanced data analytics software, we will perform analysis on entire populations to assist in determining samples.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Extent of use of Software in the Engagement

Work paper management

We utilize CCH's ProSystem fx Engagement, a fully integrated software for trial balances, audit workpapers and reporting functions. In fact, all of our audit documentation is maintained through the use of "paperless" working paper software. We will request that the County staff electronically download certain data from the County's financial management information system for evaluation during the planning and fieldwork phases of the audit. Our approach to this area is designed to be non-invasive and to reduce the amount of time spent by both our staff and County employees.

The Whitley Penn Portal

Everyone is concerned about the confidentiality of information, whether in paper or electronic form. Whitley Penn's portal provides a secure, convenient way to transfer data. Some of the benefits of Whitley Penn's portal include:

- Maximum Security for Uploading and Downloading Files of All Sizes
- Ability to Assign Access to Users Within Your Account
- Convenient, Instant Access to Documents
- Multiple Document Organization Tools

Whitley Penn's portal is just one of the many tools in our toolbox that assist us in providing our valued clients with the best service available.

Advanced Audit Data Analysis with TeamMate Analytics

Auditors today are constantly challenged with increasing coverage, tightening budgets and increasing pressure from clients to add more value, as well as communicating and demonstrating that value.

Data analytics enable auditors to reduce risk by auditing 100% of a population rather than a small sample, while saving time through more efficient procedures. Analytics can dramatically increase the value delivered through 100% coverage highlighting every potential issue or anomaly and the ability to get to the root of issues quickly. Analytics also enables auditors to calculate and communicate the value that a proposed improvement can deliver, demonstrating audit's value add to business processes and giving an incentive to act.

Whitley Penn utilizes TeamMate Analytics to audit areas such as expenditures, general ledger journals, payables, receivables, HR and payroll. TeamMate Analytics includes interactive discovery tools to help us spot anomalies and unusual features in your data that you might warrant further investigation.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Tests of Compliance with Laws and Regulations

This is a type of audit test that is used to determine general statutory compliance and compliance with agreements with state and federal agencies for services provided to eligible recipients. The purpose of tests of compliance with laws and regulations is to determine whether there have been instances of noncompliance that may have a material effect on the financial statements or to provide a basis of reporting on the County's compliance with such laws and regulations. As a result, tests of compliance with laws and regulations are substantive tests accomplished by examining supporting documentation. In a single audit, this type of audit test is frequently applied using audit sampling.

We will select a sample of revenue or expenditure transactions and inspect supporting documentation to determine compliance with relevant laws and regulations; e.g., we would select a sample of expenditures program and inspect documentation to determine whether expenditures charged to a federal or state award were for activities allowed. We find the most efficient approach is usually to conduct these tests simultaneously with substantive tests of transactions; e.g., concurrently with selecting samples of cash receipts or disbursements to test recording accuracy.

Identifying Potential Audit Problems

As noted earlier, our approach to difficult audit issues is immediate communication at the appropriate level of management to include, as appropriate, Commissioners Court and management. We propose scheduled periodic meetings with the County's management personnel to stay abreast with issues that the County is facing. As part of our service commitment, we welcome any questions during the year.

Our firm uses analytical procedures in audit planning and fieldwork to:

- Enhance our understanding of the County's operations and the transactions and events that have occurred since the last audit date.
- Identify areas that may represent specific risks relevant to the audit.
- Provide substantive support for financial information included in the financial reports.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Type and Extent of Analytical Procedures

Comparisons of account balances between accounting periods are made and ratio and trend analyses performed to improve our understanding of the client and its operations and possibly identify critical audit areas. For instance, comparing general and special revenue fund expenditures by function and revenue by source for the past five years provides an understanding of the County's operations and may identify a revenue source that requires increased attention in the current audit.

Our preliminary analytical procedures may include a comparison of current account balances in the working trial balance to similar amounts in the prior annual period's financial statements and the current period's budget. However, we feel a thoughtful consideration of expected relationships among account balances and periods by our experienced auditors is far more important than a mechanical comparison. We will not only consider these relationships but compare these based on our knowledge of and experience with similar governmental entities and their operations. In some cases, analytical procedures can be more effective and efficient than tests of details for achieving particular substantive testing objectives. Normally, analytical procedures call attention to unexpected relationships in financial statement balances. This can be an efficient means of identifying potential misstatements or misclassifications. The appropriate mixture of analytical procedures and tests of details is a matter of professional judgment concerning the expected efficiency and effectiveness of analytical procedures in identifying potential misstatements. Auditor may eliminate the need to sample or reduce the population of payroll expenditures considered necessary to sample by confining sampling to departments with significant fluctuations.

Analytical procedures may be used to identify individually significant items or to otherwise identify populations that need to be sampled. In the payroll area, an effective analytical test is to compare current expenditures to the prior period actual and current budget by department and relate to the number of employees by department. In this manner, the auditor may eliminate the need to sample or reduce the population of payroll expenditures considered necessary to sample by confining sampling to departments with significant fluctuations.

Analytical procedures are also applied as an overall review of the financial information in the final stage of the audit. These procedures are designed to assist our staff in assessing the propriety of conclusions reached and in the evaluation of the overall financial statement presentation. While the selected procedures will vary on the circumstances, they will always focus on overall relationships within the financial statements and consider the following matters:

- The adequacy of evidence gathered in response to unusual or unexpected balances identified by analytical procedures applied in the planning stage of the audit.
- Unusual or unexpected balances or relationships not previously identified.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Determining Laws and Regulations Subject to Audit Test Work

We will design our audit to provide reasonable assurance that the County's financial statements are free of material misstatements resulting from violations of laws and regulations that have a direct and material effect on the determination of financial statement amounts. From the planning phase of the audit, we will seek to obtain an understanding of the possible effects of such laws and regulations on the County's financial statements.

In the course of the audit, we will consider performing some or all of the following procedures:

- Consider knowledge about such laws and regulations obtained in prior years' audits.
- Discuss such laws and regulations with the finance staff, legal counsel, or grant administrators.
- Obtain written representation from management concerning the completeness of management's identification of such laws and regulations.
- Review grant and loan agreements.
- Review minutes of meetings of the Commissioners Court for the enactment of new policies.
- Read pertinent statutes, regulations, and charter provisions and excerpt significant items for the permanent file section of the workpapers
- If any legal requirements require clarification, we will request a written interpretation from the County's legal counsel.

Below is an example of the some of the focus areas related to federal, state and local laws and/or policies.

Federal	State	Local
<ul style="list-style-type: none">• 2 CFR 200• Procurement• Employee conflict of interest• 2 CFR 200.326 Vendor Certificates	<ul style="list-style-type: none">• HB 1295• PFIA• Procurement• CAFR Conflict of Interest• Nepotism• Sales Tax (Hotel/Motel)	<ul style="list-style-type: none">• Compensated absences• Procurement• Accounts payable• Payroll• Human Resources• Fund Balance• Worker's Compensation



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Determining Laws and Regulations Subject to Audit Test Work (continued)

Examples of the types of laws and regulations that have a direct and material effect on the determination of amounts in a County's financial statements follow:

Public Funds Investment Act. We will consider the County's compliance with legal and policy provisions for deposits and investments.

Procurement. Competitive bidding laws apply to the procurement process.

Appropriations. Expenditures should not exceed authorized limits.

Legal authority for transactions. Transactions should be properly authorized at execution.

Budgetary reporting. The required and other supplementary information should present an aggregation of the appropriated budgets, as amended, compared to actual results of operations in accordance with State Laws' local budget provisions.

Restrictions on expenditures. The proceeds of certain governmental revenues are restricted by law as to the purposes for which they may be expended.

Taxing and debt limitations. Governmental units may be subject to laws and regulations that place limits on taxing authority, place ceiling limitations and other issuance criteria on debt, or place limits on the use of debt proceeds.

Financial Audit Engagement - General Scope Considerations

We will work closely with the Commissioners Court and upper level management in addressing the scope of the audit, the overall audit philosophy, and our observations and recommendations relating to the County's financial operations. We understand the scope of the work requested is an audit of the basic financial statements and required supplementary information in accordance with generally accepted auditing standards, as well as *Government Auditing Standards* (Yellow Book), issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget (OMB) Uniform Guidance under 2 CFR 200 and the State of Texas Single Audit Circular Uniform Grant Management Standards.

Our audit will be conducted in accordance with the above-mentioned standards and will include tests of the County's accounting records and other procedures we consider necessary to enable us to express an unmodified opinion that the basic financial statements are fairly presented in all material respects, in conformity with generally accepted accounting principles.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Financial Audit Engagement - General Scope Considerations (continued)

A. Evaluation of Internal Control Structure

The administration of the County is responsible for establishing and maintaining an internal control structure. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that, transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of basic financial statements in accordance with generally accepted accounting principles.

In planning and performing our audit we will consider the internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the County's basic financial statements and not to provide assurance on the internal control structure.

We will obtain an understanding of the design of the relevant policies and procedures for the significant areas of the audit and whether they have been placed in operation, and we will assess control risk.

Tests of controls may be performed to test the effectiveness of certain policies and procedures which we consider relevant to preventing and detecting errors and irregularities which are material to the basic financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters which have a direct and material effect on the basic financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control structure policies and procedures and, accordingly, no opinion will be expressed.

We will inform the County of any matters involving internal control structure and its operations which we consider to be significant deficiencies under standards established by the AICPA. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

Compliance with laws, regulations, contracts and grant agreements applicable to the County is the responsibility of management. As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the County's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit will not be to provide an opinion on overall compliance with such provisions, and we will not express such an opinion.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Financial Audit Engagement - General Scope Considerations (continued)

B. Substantive Test Work on Account Balances

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories and direct confirmations of receivables, cash, notes and certain other assets and liabilities by correspondence with selected individuals, creditors and financial institutions. Areas which would be covered in our tests would include material accounts in the general ledger such as cash, investments, receivables, taxes, proprietary fund revenues, fixed assets, accounts payable, payroll liabilities, fund balances, and various other revenue and expenditure accounts. We will also request written representations from your attorneys as part of the scope of the work. At the conclusion of our audit, we will also request certain written representations from the County about the financial statements and related matters. Our audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. However, because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us.

We will inform you, however, of any matters of that nature which come to our attention, unless they are clearly inconsequential. Additional work requested or performed related to fraud, errors, irregularities or illegal acts would be above the scope of the audit and would be subject to further discussions with management. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

C. Periodic Staff Meetings

As part of our annual commitment to the County, senior level firm personnel will be available to meet with County staff, and Commissioners' Court, or committees thereof as appropriate periodically during the audit and throughout the year to discuss financial reporting and audit matters. It is our policy to make our partners and managers available throughout the year to the Commissioners Court and staff members. We would contemplate receiving specific direction as to the County's and firm's staff involvement in planning sessions with management prior to beginning our work.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Financial Audit Engagement - General Scope Considerations (continued)

D. Reporting

Review of Comprehensive Annual Financial Report

We will assist County financial personnel in their preparation of the Comprehensive Annual Financial Report as well as assist in the preparation and filing of the SF-SAC Data Collection Form. We will also assist in the implementation of any recommendations provided by the Government Finance Officers Association. We utilize CCH's ProSystem fx Engagement for both our workpapers and trial balance. The software allows us to easily make adjustments to one trial balance, which then updates all working papers and schedules.

Certificate of Achievement Program of the Government Finance Officers' Association (GFOA)

Our firm has extensive experience preparing and auditing comprehensive annual financial reports (CAFR) that receive the GFOA's Certificate of Achievement for Excellence in Financial Reporting. Of our twenty (20) municipal audit clients, fourteen (14) submit their CAFRs to the GFOA. Of those fourteen (14) CAFRs, we prepare thirteen (13) of those CAFRs. We also prepare CAFRs for several of our other governmental entity audit clients. Your proposed engagement partner, Lupe Garcia, also serves on the GFOA's Special Review Committee.

Assistance with Complying with New GASB Statements

We are proud of the knowledge base of Whitley Penn's Public Sector Team. We are well known in this industry for our experience and as a result, our firm's partners are consistently called upon to present to a variety of organizations. Whitley Penn is also proud to offer this training to our clients. We offer 8 hours of CPE each year for your staff.

Part of our audit planning includes meetings with management to discuss new GASB statement implementation. We will discuss applicability, determine the source of the needed information, walk through the debits and credits of the journal entries, financial statement presentation and note disclosures.

E. Independence

As auditors, we have a responsibility to maintain independence so that our opinions, conclusions, judgments, and recommendations will be impartial and will be viewed as impartial by knowledgeable third parties. With this responsibility in mind, we confirm that Whitley Penn is independent of the County or any of its agencies, including direct and indirect financial interest, as well as relationships of the proposed audit team to employees and Commissioners Court members, as defined by both auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Government Accountability Office.



1.2 METHODOLOGY COMPONENT

Service Approach and Methodology (continued)

Level of assistance that will be expected from County personnel, including internal audit staff

We expect to arrange all project roles and responsibilities with our staff and County staff at the outset of the engagement. We appreciate County efforts and will work with you in making sure we can utilize the information already available. We do not want to burden the staff with making requests that require the staff to “recreate the wheel.”

We anticipate that the County employees will prepare all cash and other confirmations and will locate supporting documentation such as invoices and purchase orders (based on our samples), personnel files (based on our samples), deposits, and other supporting documentation for items selected by us for testing. Account analysis schedules such as the reconciliation of bank statements, investments schedules, fixed asset and depreciation schedules, listing of accounts payable at year-end, etc., will be prepared by the County. We will request that the County provide us with supporting documentation such as grant applications, detail general ledger downloaded from the financial software, checks registers for the year, internal audit risk assessment, audit plan, issued reports and Commissioners Court meeting minutes. We encourage use of the Whitley Penn portal for the transfer of electronic files.



TAB 2

FIRM EXPERIENCE



2.1 MANAGEMENT COMPONENT

DEDICATED PUBLIC SECTOR TEAM

PARTNERS



Chris Breaux



Celina Cereceres



Lupe Garcia



Tom Pederson

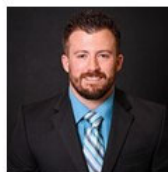
MANAGERS



Ailene Comple



Dan Hernandez



Nathan Johnson



Laura Lynch



Sheryl Messer



Patrick Simmons

SENIOR ASSOCIATES



Erin Angel



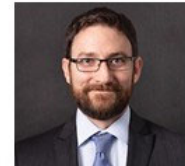
Raul Balbuena



Alex Chaib



Andrew Jennett



Corbitt Nixon

Staff Rotation Plans and Multiyear Contract Arrangements

We bring a wealth of understanding of Texas municipal financial operations and the specific operating environment. On many of these engagements we have made a strong effort over time to ensure “rotation” of staff on these projects. We have personnel at the partner level that would be able to assume engagement leadership with a minimum of effort. We would welcome the opportunity to discuss this fully with you.

If it is the Commissioners Court’s and Management’s desire to change audit partners as well, we can certainly accommodate the County. Each of our team members can provide a fresh perspective and we are able to do so based on the many different audit teams we can provide.



2.1 MANAGEMENT COMPONENT

Our firm is a regional firm with more than **500** people in Austin, Dallas, Fort Worth, Houston, Plano and Texas City with diverse experience and knowledge. We have an extensive team of experienced assurance and tax professionals that the firm will be able to draw upon as needed.

We have a risk advisory group that specializes in many areas but we believe they could add value to the County with the following services they provide:

- Reviewing and improving your Information Technology (IT) processes requires the kind of policy and procedure reviews that reinforce a required, certified opinion. We offer the kind of authoritative insight that IT consulting firms can't match. At the same time, we will help you leverage and extend your IT infrastructure cost effectively. Our services encompass:
 - General controls review
 - Software selection
 - Fraud detection and analysis
 - Compliance readiness assessments
 - Disaster recovery and business continuity planning
 - Vulnerability assessments
- This group also offers business process improvement services where neither size, industry nor geography is a limiting factor – we offer business process improvement for a full range of clients. Please refer to the biographies included in this proposal for the firm's Certified Information Systems Security Professionals (CISSP) and Certified Information Systems Auditors (CISA).

In addition to the risk advisory group's abilities noted above, our own public sector auditors are also certified fraud examiners, certified internal auditors and/or have over 15 years of experience working in governmental operations as Chief Financial Officers. So they are well-versed with governmental entities' operations that can add so much value to the engagement. As such, if awarded, we believe we will be able to assist the County with the "value added" services.

As part of our basic audit services, we will have our expert information technology personnel in our risk advisory group to conduct a general information technology review. By conducting this review, we will be able to identify the risk area in the largest areas of the County such as accounts payable, purchasing, human resources, and payroll.



2.1 MANAGEMENT COMPONENT

Peer Review/Quality Control Review

As a member of Nexia International, a network of independent accounting and consulting firms with member firms in over 100 countries, our firm has completed a peer review performed by a selected firm in accordance with the AICPA's SEC Practice Section requirements. This peer review covered the year ended April 30, 2018, and resulted in a rating of pass (unmodified). The review included engagements performed under the *Government Auditing Standards*. We perform our internal inspections annually as required by program requirements. The frequency of peer reviews is every third year. We have included a copy of our most recent peer review letter in the appendices of this proposal. ***Whitley Penn has been a member of the AICPA's Governmental Audit Quality Center for more than 10 years.***

Proposed Team for Fort Bend County

We have selected the following individuals as your engagement team. The partners, manager and senior will work on the audit on a full-time basis. We believe they are best suited for the County. We have several other managers, seniors and staff, but we selected these individuals for your consideration.

Fort Bend County Engagement Team



Christopher Breaux, CPA

Engagement Partner

Over 35 years of experience and will be responsible for the overall audit and final opinion on the financial statements and over federal compliance; employed with the firm for 42 years



Lupe Garcia, CPA

Concurring Partner

Over 13 years of experience and will be responsible for the second partner review of both the workpapers and the CAFR; employed with the firm 12 years



Patrick Simmons, CPA

Senior Manager

Over 7 years of experience and will be responsible for managing the engagement from start to finish; employed with the firm for 6 years



**Ailene Comple Makalintal,
CPA, CFE
Manager**

10 years of experience and will be working in the field each day; she will supervise staff and be the main contact; employed with the firm for 5 years

The names and professional licenses held (e.g. CPA and CFE) of the staff members who will direct the overall audit throughout the duration of the engagement are listed above. Should this team change in any way, we will consult with you immediately.



2.1 MANAGEMENT COMPONENT

Dedication to the Public Sector Industry and Evidence of Teaching/Training Experience

As part of our dedication to the state and local government industry, our firm maintains associate memberships in the Texas Association of School Business Officials, the Association of School Business Officials International, the Government Finance Officers Association, the Texas Municipal League, the American Institute of Certified Public Accountants and the Texas Society of Certified Public Accountants. Through these affiliations, we are able to access tremendous resources that allow us to serve our governmental and non-profit clients at the highest levels.

Our public sector has chosen to work in this field because they believe in their governments' missions. While our main service to these governments comes in the form of auditing, we also service the public sector by providing education in many settings and also giving back to the public education. Although the limitation requirements of RFP-20-083 do not allow for their inclusion, a complete list of all of our activity in the public sector is available upon request.



Continuing Professional Education

The following is a table of continuing education course topics in which the project team has participated or served as instructors in the past four years:

Topic	Breaux	Cereceres	Garcia	Managers	Seniors
GASB Update: <ul style="list-style-type: none"> • GASB Statement No. 68 (Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27) • GASB Statement No. 69 (Government Combinations and Disposals of Government Operations) • GASB Statement No. 70 (Accounting and Financial Reporting for Non-exchange Financial Guarantees) • GASB No. 71 (Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68) • GASB No. 72 (Fair Value Measurement and Application) • GASB No. 73 (Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68) • GASB No. 74 (Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans) • GASB No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions) • GASB No. 76 (The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments) • GASB No. 77, Tax Abatement Disclosures • GASB No. 78 Pensions through Certain Multiple-Employer Defined Benefit Pension Plans • GASB Statement No. 79, Certain External Investment Pools and Pool Participants • GASB Statement No. 80, Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14 • GASB Statement No. 82, Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73 • GASB Statements No. 83 through 86 • GASB Statement No. 87 -Leases • Financial Reporting Model (Through Invitation to Comment Stage) 	Yes*	Yes*	Yes*	Yes*	Yes
Bonds (New issuances, refunding, capital appreciations bonds, etc.)	Yes*	Yes*	Yes*	Yes	Yes
The 2011 Yellow Book	Yes*	Yes*	Yes*	Yes	Yes
OMB Uniform Grant Guidance	Yes*	Yes*	Yes*	Yes	Yes
Internal Controls over Federal Programs	Yes*	Yes*	Yes*	Yes	Yes
State and Federal Program Management	Yes*	Yes*	Yes	Yes	Yes
Internal Controls	Yes*	Yes*	Yes*	Yes	Yes
Sub recipient Monitoring	Yes*	Yes*	Yes	Yes	Yes
Procurement and the Uniform Guidance (EDGAR)	Yes*	Yes*	Yes*	Yes	Yes

*Instructor



TAB 3

FEE



3.1 DETAILED PRICING SCHEDULE

Obviously, fee considerations are an important factor in selecting a firm for professional services such as auditing and consulting. In this regard, we welcome input on our fee estimate levels during the proposal process. As you are aware, we would very much like to have the opportunity to serve Fort Bend County and would welcome the opportunity to discuss the appropriateness of our fee estimate levels, especially if they become a significant factor in making our firm the County's choice.

	Fort Bend County*	Drainage District	Toll Roads (2)	Juvenile Probation	Community Supervision and Corrections Department	Standard Hourly Rate
Position	Hours					
Partner	38	4	10	5	5	\$ 345
Senior Manager	76	8	20	10	10	\$ 220
Senior Associate	228	24	60	30	30	\$ 195
Associate	456	48	120	60	60	\$ 185
Total Hours	798	84	210	105	105	
Fees at standard hourly rates	\$ 158,650	\$ 16,700	\$ 41,750	\$ 20,875	\$ 20,875	
Discount offered	\$ (12,150)	\$ (3,200)	\$ (3,750)	\$ (2,875)	\$ (2,875)	
Proposed fees	\$ 146,500	\$ 13,500	\$ 38,000	\$ 18,000	\$ 18,000	

*** Fees include Federal and State single audit work (\$42,000) anticipating an average of six (6) aggregate major programs plus juvenile and adult probation activities.**

Our plan for service includes 1,302 total hours across all entities of time commitment by our partners, managers, and professional staff. We feel that this time commitment will benefit the County by allowing our firm to provide the highest levels of service by the most efficient means available. This approach should be a clear indication of our desire to fully serve the County through the creation of professional relationships with management and staff.

In April of 2020, Fort Bend County Commissioners Court accepted advanced funding of \$134 million as part of the CARES Act essentially to deal with the costs associated with the COVID-19 pandemic. On May 19th, the County's Local Government Agency Advisory Team has adopted a "CARES Act Fund Distribution" budget with a methodology to allocate funding to the different political subdivisions and activities within the County. Further, on May 21st the County Auditor's Office has established an online reimbursement procedure for designated sub recipients to apply for reimbursement for related costs.

This unprecedented action puts the County in a greatly heightened level of sub recipient monitoring and programming to include local reimbursements to local municipalities, rental assistance, small business assistance, COVID-19 related indigent health care, utility assistance and food distribution programs.



3.1 DETAILED PRICING SCHEDULE

While the compliance requirements for the spending are not dissimilar to past projects we have successfully undertaken, because of the complexity and sheer size of this activity for the County, we would be unable to realistically determine the nature, volume and timing of this program with any degree of certainty without first discussing the programmatic controls and features with the County Auditors' Office personnel. We look forward to the opportunity to sit down and map out the scale of testing required to complete this task.

Fees for our services are based on our standard hourly rates. These rates vary based on the level of our staff performing services. Professional service fees estimated and proposed for performing the audit services requested are based on the time expected to be expended by our staff in doing the work

We would expect to remain within any negotiated fee level unless factors considered by us in estimating the fee level change significantly. Should circumstances dictate that material increases in our time requirements are necessary, we would discuss this with management immediately. We would not bill the County for amounts in excess of our negotiated fees without first discussing the matter and receiving approval from management and the governing body of the corresponding entity.

Routine advisory services provided through phone calls, conferences, or otherwise in connection with incidental matters arising during the course of a year would not be billed separately but would be absorbed in our estimated annual fee. We encourage open lines of communication throughout the year as part of our services.



TAB 4

OVERALL COMPLETENESS OF SUBMISSION





Report on the Firm's System of Quality Control

July 19, 2018

To the Partners of Whitley Penn LLP and
the National Peer Review Committee.

We have reviewed the system of quality control for the accounting and auditing practice of Whitley Penn LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, audits performed under FDICIA, an audit of a broker-dealer, and examination of service organization (SOC 1 engagement).

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Whitley Penn LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Whitley Penn LLP has received a peer review rating of pass.

Olsen Thielen & Co., Ltd.

3675 Long Lake Road | Roseville, Minnesota | 55113-1117 | 651-483-4521 | 651-483-3487 FAX | otcpaa.com
300 Prairie Center Drive, Suite 300 | Eden Prairie, Minnesota | 55344-7908 | 952-941-9242 | 952-941-9577 FAX



VENDOR INFORMATION FORM



COUNTY PURCHASING AGENT
Fort Bend County, Texas

Vendor Information

Jaime Kovar
Interim County Purchasing Agent

Office (281) 341-8640

Legal Company Name (top line of W9)	Whitley Penn, LLP		
Business Name (if different from legal name)			
Federal ID # or S.S. #	75-2393478	DUNS #	10-704-5270
Type of Business	<input type="checkbox"/> Corporation/LLC <input type="checkbox"/> Sole Proprietor/Individual	<input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Tax Exempt Organization	Age in Business? 37
Publicly Traded Business	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Ticker Symbol _____		
Remittance Address	640 Taylor St., Ste. 2200		
City/State/Zip	Fort Worth, Texas 76102		
Physical Address	3737 Buffalo Speedway, Ste. 1600		
City/State/Zip	Houston, Texas 77098		
Phone/Fax Number	Phone: 713-421-1515 Fax: 281-457-4961		
Contact Person	Christopher L. Breaux		
E-mail	Christopher.Breaux@whitleypenn.com		
Check all that apply to the company listed above and provide certification number.	DBE-Disadvantaged Business Enterprise <input type="checkbox"/> Certification # _____ SBE-Small Business Enterprise <input type="checkbox"/> Certification # _____ HUB-Texas Historically Underutilized Business <input type="checkbox"/> Certification # _____ WBE-Women's Business Enterprise <input type="checkbox"/> Certification # _____		
Company's gross annual receipts	<\$500,000 <input type="checkbox"/> \$500,000-\$4,999,999 <input type="checkbox"/> \$5,000,000-\$16,999,999 <input type="checkbox"/> \$17,000,000-\$22,399,999 <input type="checkbox"/> >\$22,400,000 <input type="checkbox"/>		
NAICs codes (Please enter all that apply)			
Signature of Authorized Representative			
Printed Name	Christopher L. Breaux		
Title	Partner		
Date	5/26/2020		

THIS FORM MUST BE SUBMITTED WITH THE SOLICITATION RESPONSE



Form W-9 (Rev. October 2018) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification ▶ Go to www.irs.gov/FormW9 for instructions and the latest information.	Give Form to the requester. Do not send to the IRS.
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Whitley Penn LLP		
2 Business name/disregarded entity name, if different from above		
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small> </div> <div style="width: 45%;"> <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Other (see instructions) ▶ _____ </div> </div>		
4 Exemptions (codes apply only to certain entities; not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>		
5 Address (number, street, and apt. or suite no.) See instructions. 640 Taylor Street, Suite 2200		Requestor's name and address (optional)
6 City, state, and ZIP code Fort Worth, TX 76102		
7 List account number(s) here (optional)		
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later. Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.		
Social security number <div style="border: 1px solid black; width: 100px; height: 20px; margin: 5px 0;"></div>		or Employer identification number <div style="border: 1px solid black; width: 150px; height: 20px; margin: 5px 0; text-align: center;"> 7 5 - 2 3 9 3 4 7 8 </div>
Part II Certification Under penalties of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.		
Sign Here	Signature of U.S. person ▶	Date ▶ 1/25/20
General Instructions Section references are to the Internal Revenue Code unless otherwise noted. Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9 . Purpose of Form An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following: <ul style="list-style-type: none"> • Form 1099-INT (interest earned or paid) • Form 1099-DIV (dividends, including those from stocks or mutual funds) • Form 1099-MISC (various types of income, prizes, awards, or gross proceeds) • Form 1099-B (stock or mutual fund sales and certain other transactions by brokers) • Form 1099-S (proceeds from real estate transactions) • Form 1099-K (merchant card and third party network transactions) • Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition) • Form 1099-C (canceled debt) • Form 1099-A (acquisition or abandonment of secured property) Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN. If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See <i>What is backup withholding</i> , later.		

TAX FORM/DEBT/RESIDENCE CERTIFICATION

Job No.: _____

TAX FORM/DEBT/RESIDENCE CERTIFICATION (for Advertised Projects)

Taxpayer Identification Number (T.I.N.): 75-2393478

Company Name submitting Bid/Proposal: Whitley Penn, LLP

Mailing Address: 3737 Buffalo Speedway, Ste. 1600, Houston, TX 77098

Are you registered to do business in the State of Texas? ☒ Yes ☐ No

If you are an individual, list the names and addresses of any partnership of which you are a general partner or any assumed name(s) under which you operate your business

- I. **Property:** List all taxable property in Fort Bend County owned by you or above partnerships as well as any d/b/a names. Include real and personal property as well as mineral interest accounts. (Use a second sheet of paper if necessary.)

Fort Bend County Tax Acct. No.*

Property address or location**

* This is the property account identification number assigned by the Fort Bend County Appraisal District.

** For real property, specify the property address or legal description. For business personal property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored at a warehouse or other location.

- II. **Fort Bend County Debt** - Do you owe any debts to Fort Bend County (taxes on properties listed in I above, tickets, fines, tolls, court judgments, etc.)?

Yes ☒ No ☐

If yes, attach a separate page explaining the debt.

- III. **Residence Certification** - Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Fort Bend County requests Residence Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

(3) "Nonresident bidder" refers to a person who is not a resident.

(4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

☒ I certify that Whitley Penn, LLP is a Resident Bidder of Texas as defined in Government Code §2252.001.
[Company Name]

I certify that _____ is a Nonresident Bidder as defined in Government Code
[Company Name]

§2252.001 and our principal place of business is _____
[City and State]



NO BID/ RFP QUESTIONNAIRE



COUNTY PURCHASING AGENT Fort Bend County, Texas

NO BID/PROPOSAL/QUALIFICATIONS FORM

Jaime Kovar
Interim County Purchasing Agent

Office (281) 341-8640

Bid/RFP/RFQ Number: 20-083

Vendor's not responding to this solicitation are requested to complete and submit this form to:
Jessica.Carabajal@fortbendcountytexas.gov

Please provide your purpose for not responding to this solicitation.

<input type="checkbox"/>	Project size is too large.	NOT APPLICABLE - WE ARE SUBMITTING A RESPONSE.
<input type="checkbox"/>	Project size is too small.	
<input type="checkbox"/>	Unable to obtain required bonding.	
<input type="checkbox"/>	Unable to obtain required insurance.	
<input type="checkbox"/>	Not within the scope of our expertise.	
<input type="checkbox"/>	Not equipped to complete this project.	
<input type="checkbox"/>	Can supply item, but it is not competitive.	
<input type="checkbox"/>	Not enough time to respond to this solicitation.	
<input type="checkbox"/>	Do not desire to remain on your notification list.	
<input type="checkbox"/>	Cannot supply item/service by the delivery/completion date.	
<input type="checkbox"/>	Do not provide this type of product. Please remove us from your notification list for this solicitation.	
<input type="checkbox"/>	Not interested in this type of project. Explain:	
<input type="checkbox"/>	Cannot comply with specifications. Explain:	
<input type="checkbox"/>	Other:	

Please complete the below information:

Company Name:	Whitley Penn, LLP
Mailing Address:	
Physical Address:	
City:	
State & Zipcode:	
Name of Signatory:	
Title of Signatory:	
Signature:	



TAB 5

TEAM BIOGRAPHIES



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

Bachelors and Masters of
Accountancy
University of Texas - El Paso

SIMILAR ENTITIES SERVED:

- City of Fulshear
- City of Iowa Colony
- City of Katy
- City of La Porte
- City of Pearland
- City of Stafford
- City of Sugar Land
- East Texas Council of Governments
- Galveston County
- Gulf Coast Waste Disposal Authority
- Harris County Department of Education
- Houston-Galveston Area Council
- Port of Galveston



Celina Cereceres Miller, CPA

Engagement Partner/Concurring Partner
Public Sector Industry Group Leader
Phone: 713-386-1175
Fax: 281-657-6861
Cell: 713-377-3667
Celina.Miller@whitleypenn.com

Experience

- Over 19 years of audit public accounting experience focused on clients primarily in the following industries: school districts, non-profit organizations, community colleges and other large governments administering large amounts of federal and state grant awards.
- Earned the AICPA's Advanced Single Audit Certificate
- Responsible for training firm staff in accordance with Generally Accepted Auditing Standards (GAAS), and Governmental Audit Standards (GAS)
- Extensive knowledge with the Office of Management and Budget (OMB) Uniform Grant Guidance
- **Designated Audit Quality Partner** for the AICPA's Government Audit Quality Center
- Responsible for providing CPE to both employees, clients, and industry professional organizations



Professional & Civic Organizations

- Texas Society of Certified Public Accountants (TSCPA)
- Texas Education Agency/TASBO Advisory Committee
- American Institute of Certified Public Accountants (AICPA)
- TSCPA School District Conference Planning Committee
- Texas Association of School Business Officials
- TASBO Accounting/Finance Research Committee
- Bay Area Communities in Schools



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

B.B.A. in Accounting from
Texas A&M University

SIMILAR ENTITIES SERVED:

- City of Beaumont
- City of Bellaire
- City of Dickinson
- City of Fulshear
- City of Galveston
- City of Hitchcock
- City of Houston
- City of Humble
- City of Jersey Village
- City of Katy
- City of La Porte
- City of League City
- City of Missouri City
- City of Morgan's Point
- City of Oak Ridge North
- City of Pearland
- City of Richmond
- City of Rosenberg
- City of Seabrook
- City of Stafford
- City of Sugar Land
- City of West University
- Fort Bend County
- Galveston County
- Galveston Wharves
- Guadalupe County
- Gulf Coast Waste Disposal Authority
- Hamilton County
- Houston Galveston Area Council
- North Central Texas Council of Governments



Christopher Breaux, CPA

Engagement Partner/Concurring Partner

Phone: 713-386-1113

Fax: 281-657-6861

Cell: 713-906-0250

Christopher.Breaux@whitleypenn.com

Experience

- Over 35 years of Governmental Auditing Experience
- Experience in auditing and consulting services to school districts and municipalities as well as a variety of non-profit and private sector clients, whom receive both federal and state funding and/or are subject to specific regulatory reporting requirements.
- Interfacing with clients and cognizant agencies as well as developing and implementing audit procedures to conform to applicable professional, state, and federal standards.
- Preparation and review of Comprehensive Annual Financial Reports that have been awarded a Certificate of Achievement for Excellence in Financial Reporting. He has been awarded the Certificate of Educational Achievement in Governmental Accounting and Auditing by the AICPA.

Professional & Civic Organizations

- American Institute of Certified Public Accountants
- Texas Society of Certified Public Accountants
- Past Chair, Texas School District Conference Committee
- Past Member, Texas Single Audit Conference Committee
- TXCPA Professional Standards Committee
- Texas Association of School Business Officials & Government Finance Officers Association of Texas
- Fort Bend Chamber of Commerce – Governmental Relations Division Chair
- Fort Bend P-16 Council Math Collaborative



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

B.B.A. in Finance from the
University of Houston

SIMILAR ENTITIES SERVED:

- City of Buda
- City of Fulshear
- City of Humble
- City of Jersey Village
- City of Katy
- City of Oak Ridge North
- City of Manvel
- City of Missouri City
- City of Pearland
- City of Richmond
- City of Round Rock
- City of Stafford
- City of Sugar Land
- Fort Bend County
- Lone Star College System
- Navarro College District
- Schreiner University
- Texas Southern University
- Greater Harris
County 9-1-1 Emergency
Network
- Greenspoint District
- Harris County Department
of Education
- Houston-Galveston Area
Council



Lupe Garcia, CPA

Engagement Partner/Concurring Partner

Phone: 713-386-1149

Cell: 832-573-6825

Fax: 281-657-6861

Lupe.Garcia@whitleypenn.com

Experience

- 12 years of experience auditing and performing other attest engagements for various governmental entities, including counties, cities, school districts, other special-purpose governments, and non-profit organizations school districts, cities, counties, council of governments and other special purpose districts
- Responsible for all aspects of the assurance process including planning, internal control evaluation, risk assessment, fieldwork, and report issuance and engagement closure
- Earned the AICPA's Single Audit Certificate
- Assist in training staff in accordance with Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), *Government Auditing Standards* (GAS) promulgated by the U.S. Government Accountability Office, and the Office of Management and Budget (OMB) requirements under Uniform Grant Guidance
- Perform agreed-upon procedures for school districts related to state compensatory education, leaver data, and PEIMS reporting
- Responsible for preparation and review of Comprehensive Annual Financial Reports that have been awarded the Certificate of Achievement for Excellence in Financial Reporting.



TEAM BIOGRAPHIES

Lupe Garcia, CPA (continued)

Professional & Civic Organizations

- American Institute of Certified Public Accountants
- Texas Society and Houston Chapter of Certified Public Accountants
- Texas Association of School Business Officials
- Government Finance Officers Association of Texas
- Member of GFOA Special Review Committee



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

B.S. in Accounting from
University of Houston - Clear
Lake

SIMILAR ENTITIES SERVED:

- City of Beaumont
- City of DeSoto
- City of Galveston
- City of Hitchcock
- City of Houston
- City of Pearland
- City of Seabrook
- City of Sugar Land
- City of Texas City
- City of Watauga
- Galveston County Drainage District #1
- Galveston County Drainage District #2
- Gulf Coast Waste Disposal Authority
- Lago Mar Development Authority
- Memorial City TIRZ 17
- MHMRA of Harris County
- Port of Galveston



Dan Hernandez, CPA, CIA

Audit Senior Manager

Phone: 713-403-3311

Fax: 281-657-6861

Dan.Hernandez@whitleypenn.com

Experience

- Certified Internal Auditor (CIA)
- Over 25 years of experience in auditing, accounting and internal auditing with municipalities, school districts, counties and special purposes districts
- In-depth knowledge of auditing, accounting, and financial reporting
- Extensive knowledge of Generally Accepted Auditing Standards, Government Auditing Standards, and with the Office of Management and Budget (OMB) Uniform Grant Guidance
- Knowledge of entities receiving federal and state funding and related financial and compliance reporting requirements
- Preparation of Comprehensive Annual Financial Reports which have received Certificate of Achievement for Excellence in Financial Reporting

Professional & Civic Organizations

- American Institute of Certified Public Accountants
- Texas Society of Certified of Public Accountants
- Institute of Internal Auditors



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

B.S. in Accountancy from
University of Houston -
Clear Lake

SIMILAR ENTITIES SERVED:

- City of Arcola
- City of Buda
- City of Galveston
- City of Humble
- City of La Porte
- City of Missouri City
- City of Pearland
- City of Port Arthur
- City of Round Rock
- City of Stafford
- Fort Bend Subsidence District
- Galveston County
- Gulf Coast Waste Disposal Authority
- Harris County Department of Education
- Houston-Galveston Subsidence District
- Nacogdoches County
- North Houston District
- Port of Galveston



Laura Lynch, CPA

Audit Senior Manager

Phone: 713-386-1112

Fax: 281-657-6861

Cell: 409-789-6234

Laura.Lynch@whitleypenn.com

Experience

- Over 13 years of accounting and audit experience gained from serving governmental and non-profit entities including schools, cities, special purpose entities and government pension plans
- Advising and assisting clients in the preparation of Comprehensive Annual Financial Report (CAFR) and annual financial reports and achieving the Certificate of Excellence in Financial Reporting given by the Government Finance Officers' Association
- Responsible for audit planning, CAFR and other financial report preparation and compliance auditing and reporting
- Participate in staff training and providing CPE to comply with government auditing standards; ensure that our staff are up to date with current accounting standards and other changes from regulatory agencies specific to our clients such as the Texas Education Agency (TEA), Public Funds Investment Act (PFIA), and Governmental Accounting Standards Board (GASB) etc.
- Provide information and training to clients to ensure they are up to date with accounting standards and regulatory agency changes

Professional & Civic Organizations

- American Institute of Certified Public Accountants - Member
- Texas Society of Certified Public Accountants - Member
- Government Finance Officers Association of Texas - Member
- Texas Association of School Business Officials - Member



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

M.B.A. from the University of
Texas - Pan American

B.S. in Accountancy from
University of Santo Tomas

SIMILAR ENTITIES SERVED:

- Capital Area Council of Governments
- City La Porte
- City of Beaumont
- City of Bellaire
- City of Fulshear
- City of Galveston
- City of Greenville, Texas
- Greenville Electric Utility System (GEUS)
- City of Groves
- City of Humble
- City of Katy
- City of Missouri City
- City of Pearland
- City of Stafford
- City of Sugarland
- City of Texas City
- East Texas Council of Governments
- Galveston County Central Appraisal District
- Galveston County Consol. Drainage District
- Guadalupe County
- Houston-Galveston Area Council
- Katy Development Authority
- Nacogdoches County
- North Central Texas Council of Governments



Ailene Comple Makalintal, CPA, CFE

Audit Manager

Phone: 713-386-1139

Fax: 281-657-6861

Cell: 956-533-7371

Ailene.Comple@whitleypenn.com

Experience

- Certified Fraud Examiner (CFE)
- Over 10 years of experience in general accounting and over 6 years of experience providing audit services to various governmental entities, including counties, cities, school districts, other special-purpose governments and not-for-profit organizations administering large amounts of federal and state grant awards Extensive knowledge of the Office of Management and Budget (OMB) requirements under the Uniform Grant Guidance.
- Responsible for all aspects of the assurance process including planning, internal control evaluation, risk assessment, fieldwork, report issuance, and engagement closure.
- Responsible for review of Comprehensive Annual Financial Report that have been awarded the Certificate of Achievement for Excellence in Financial Reporting.

Professional & Civic Organizations

- American Institute of Certified Public Accountants (AICPA)
- Texas Society of Certified Public Accountants (TSCPA)
- Association of Certified Fraud Examiners (ACFE)
- Houston Association of Certified Fraud Examiners



TEAM BIOGRAPHIES

PRACTICE

Audit Services - Public Sector

EDUCATION

MS in Accounting - University
of Houston - Clear Lake
BS in University Studies -
Texas A&M University



Patrick Simmons, CPA

Audit Senior Manager

Phone: 713-403-3317

Fax: 281-657-6861

Cell: 409-771-5264

Patrick.Simmons@whitleypenn.com

SIMILAR ENTITIES SERVED:

- City of Beaumont
- City of DeSoto
- City of Galveston
- City of Hitchcock
- City of Iowa Colony
- City of La Porte
- City of Missouri City
- City of North Richland Hills
- City of Pearland
- City of Port Arthur
- City of Round Rock
- Galveston Central Appraisal District
- Galveston County
- Galveston Island Redevelopment Authority
- Gulf Coast Authority
- Gulf Coast Waste Disposal Authority
- Harris County Improvement District #1
- Uptown Development Authority

Experience

- Extensive knowledge of the Office of Management and Budget (OMB) requirements under Uniform Grant Guidance
- Over 6 years of experience in auditing to governmental and non-profit entities.
- Responsible for preparing, analyzing, maintaining, and reviewing financial statements, records and reports
- Performs audit tasks for government and not-for-profit engagements including reviewing and testing transactions and internal controls, performing analytical procedures, and documenting audit results.
- Assist clients in the preparation of financial statements.

Professional & Civic Organizations

- American Institute of Certified Public Accountants (AICPA)
- Texas Society of Certified Public Accountants (TSCPA)



Exhibit C:
Letter of Engagement
dated July 29, 2020

July 29, 2020

To the Honorable KP George, County Judge
and Members of Commissioners Court
Fort Bend County, Texas

You have requested that we audit the financial statements of the governmental activities, the aggregate discretely component units each major fund, and the aggregate remaining fund information of Fort Bend County, Texas (the "County"), as of September 30, 2020 and for the year then ended, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.

In addition, we will audit the County's compliance over major federal and state award programs for the year ended September 30, 2020. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the County's major federal and state award programs.

Accounting principles generally accepted in the United States of America require that *the management's discussion and analysis* be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *Governmental Accounting Standards Board (GASB)*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America:

- 1) Management's Discussion and Analysis
- 2) General Fund Budgetary Schedule
- 3) Required Supplementary Pension System Information
- 4) Other Post-Employment Benefit (OPEB) Information

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

- 1) Combining and Individual Fund Statements and Schedules

To the Honorable KP George, County Judge
and Members of Commissioners Court
Fort Bend County, Texas
July 29, 2020
Page 2 of 10

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- 1) Introductory Section
- 2) Statistical Section

Schedule of Expenditures of Federal and State Awards

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

Data Collection Form

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

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

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the audit requirements of the State of Texas Single Audit Circular (Uniform Grant Management Standards). Those standards, the Uniform Guidance, and the Uniform Grant Management Standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

To the Honorable KP George, County Judge
and Members of Commissioners Court
Fort Bend County, Texas
July 29, 2020
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An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

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

In making our risk assessments, we consider internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

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

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

We also will issue a written report on the County's compliance with the Uniform Guidance as it is related to each of the major federal awards upon completion of our audit.

We also will issue a written report on the County's compliance with the Uniform Grant Management Standards as it is related to each of the major state awards upon completion of our audit.

Audit of Major Program Compliance

Our audit of the County's major federal and state program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; the Uniform Guidance and the Uniform Grant Management Standards, where applicable, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, the Uniform Grant Management Standards, where applicable, and other procedures we consider necessary to enable us to express such an opinion on major federal and state award program

compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the Uniform Grant Management Standards, where applicable, requires that we also plan and perform the audit to obtain reasonable assurance about whether the County has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major federal or state award programs. Our procedures will consist of determining major federal and state programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the County's major federal and state programs. The purpose of those procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major federal and state programs in our report on compliance issued pursuant to the Uniform Guidance and the Uniform Grant Management Standards, where applicable.

Also, as required by the Uniform Guidance and the Uniform Grant Management Standards, where applicable, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the County's major federal and state award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

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

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. For identifying, in its accounts, all federal awards expended during the period including federal awards and funding increments received prior to December 26, 2014, and those received in accordance with the Uniform Guidance generally received after December 26, 2014;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in accordance with the Uniform Guidance requirements and the Uniform Grant Management Standards requirements;
6. For the design, implementation, and maintenance of internal control over compliance;
7. For establishing and maintaining effective internal control over federal awards that provides reasonable assurance that the nonfederal entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;

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

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of

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the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

With respect to any nonattest services we perform, County's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. Nonattest services could include our assistance with the preparation of the financial statements including the government-wide conversion entries and related note disclosures, and assistance with the preparation of the data collection form and submission to the federal audit clearinghouse.

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

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

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

The County may wish to include our report on these financial statements in an exempt offering document. The County agrees that the aforementioned auditor's report, or reference to Whitley Penn, LLP, will not be included in such offering document without prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement letter. For exempt offerings for which we are not involved, you will clearly indicate that we were not involved with the contents of such offering document and a disclosure as shown below will be included in the exempt offering:

"Whitley Penn, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Whitley Penn, LLP also has not performed any procedures relating to this offering document."

Fees and Timing

The timing of our audit will be scheduled for performance and completion as follows:

Document internal control and preliminary tests	August - September 2020
Perform year-end audit procedures	December 2020
Issue audit reports	March 2021

We anticipate meeting these deadlines barring any delays.

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Christopher Breaux, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Whitley Penn, LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fee for the audit services will be based on the amount of time required and the difficulty of the work involved which we estimate to be \$181,500 as follows:

As proposed:	
County financial audit	\$104,000
Single audit	42,000
Add CARES Act test work and reporting	42,000
Less credit for one major program	<u>(7,000)</u>
Total Audit Fees	<u>\$181,000</u>

Additionally, we provide an option for assistance with the preparation of the Comprehensive Annual Financial Report our fee will not exceed \$20,000. The fee estimate for the audit is based on anticipated cooperation from the County's personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation and payment is due in Tarrant County. You agree to pay reasonable attorney fees and collection costs incurred relating to collection of fees for services performed under the terms of this engagement. In accordance with Whitley Penn, LLP policy, work may be suspended if your account becomes 30 days or more past due and will not resume until your account is paid in full. In addition, invoices not paid in full by the last day of the month will be assessed interest at a rate of one percent per month. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been complete even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. Our final auditors' report will be released upon final payment of any outstanding invoices.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We would like to make the following comments regarding the fee estimates:

1. Our fee estimates have not considered the effects of any changes to auditing standards and accounting principles, which may be promulgated by the AICPA, Congress, or any other regulatory body in the future and are unknown to us at this time. If significant additional time is necessary resulting in increased fees, we will endeavor to notify you of any such circumstances as they are assessed.
2. The County's personnel are responsible for the preparation of all items requested in the Prepared by Client ("PBC") listing and received by the date requested. Any delays caused by not preparing the items when requested may result in additional fees, as well as the possibility of postponing our fieldwork. The PBC listing will be provided to you during the planning process of the engagement.

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3. Time incurred for audit adjustments identified during our audit and the related additional testing required has not been considered in our fee estimates. Prior to performing any additional testing, we will notify you of the exceptions and obtain approval for any additional fees which may be incurred.
4. Our fee estimates are based on all general ledger sub ledgers being reconciled to the general ledger balance and any adjustment necessary should be recorded to the general ledger prior to our fieldwork start date.

The ethics of our profession prohibit the rendering of professional services where the fee for such services is contingent, or has the appearance of being contingent, upon the results of such services. Accordingly, it is important that our bills be paid promptly when received. If a situation arises in which it may appear that our independence would be questioned because of significant unpaid bills, we may be prohibited from issuing our auditors' report.

In the unlikely event that differences concerning our services or fees should arise that are not resolved by mutual agreement, to facilitate judicial resolution and save time and expense of both parties, the County and Whitley Penn, LLP agree not to demand a trial by jury in any action, proceeding or counterclaim arising out of or relating to our services and fees for this engagement. Any controversy, dispute, or questions arising out of or in connection with this agreement or our engagement shall be determined by arbitration conducted in accordance with the rules of the American Arbitration Association, and any decision rendered by the American Arbitration Association shall be binding on both parties to this agreement. The costs of any arbitration shall be borne equally by the parties. Any and all claims in arbitration relating to or arising out of this contract/agreement shall be governed by the laws of the State of Texas and to the extent any issue regarding the arbitration is submitted to a court, including the appointment of arbitrators or confirmation of an award, the District courts in Fort Bend County shall have exclusive jurisdiction. Any action arising out of this agreement or the services provided shall be initiated within two years of the service provided.

This letter replaces and supersedes any previous proposals, correspondence and understanding, whether written or oral. The agreements contained in this engagement letter shall survive the completion or termination of this engagement.

The audit documentation for this engagement is the property of Whitley Penn, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to various regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision Whitley Penn, LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the applicable regulator. The regulator may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

To ensure that Whitley Penn, LLP's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Other Matters

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

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In the course of our services, our firm may transmit confidential information that you provided us to third parties in order to facilitate our services. As applicable, we require confidentiality agreements with all our service providers to maintain the confidentiality of your information and additionally the firm will take reasonable precautions to determine that our service providers have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain ultimately responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

The audit documentation for this engagement is the property of Whitley Penn, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to your pass-through regulatory entity and federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision Whitley Penn, LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

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

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

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

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

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

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

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- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Please attach a copy of this letter as an attachment to the agreement for audit services to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements compliance over major federal and state award programs including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas