**LEGAL NOTICE**

**Advertisement for Request for Qualifications**

**Auditing Services**

July 7, 2025

Notice is hereby given that sealed qualifications will be accepted by the Jefferson County Drainage District No. 7 (RFQ 25- 005), Auditing Services for Jefferson County Drainage District No. 7. **Specifications for this project may be obtained from the Jefferson County Drainage District No. 7 web­site,** <https://www.dd7.org>**, or by calling 409-985-4369.**

Qualifications are to be sealed and addressed to Jefferson County Drainage District No. 7 with the qualification number and name marked on the outside of the envelope or box. Respondents shall forward an original and three (3) hard copies of their qualifications to the address shown below. Late qualifications will be rejected as non-responsive. Qualifications will be publicly opened and only the firm name will be read aloud in the Jefferson County Drainage District No. 7 Board of Commissioners room at the time and date below. Qualifications shall be opened in a manner that avoids disclosure of the contents to competing respondents and maintains the confidentiality of the qualifications during negotiations. Respondents are invited to attend the sealed qualifications opening.

**QUALIFICATIONS NAME: Auditing Services for Jefferson County Drainage District No. 7**

**QUALIFICATIONS NUMBER: RFQ 25-005**

**DUE DATE/TIME: 2:00 pm CT, Tuesday, August 5, 2025**

**MAIL TO: Jefferson County Drainage District No. 7**

 **P.O. Box 3244**

 **Port Arthur, Texas 77643**

**DELIVER TO: Jefferson County Drainage District No. 7**

 **3400 Highway 73**

 **Port Arthur, Texas 77642**

Any questions relating to these requirements should be directed to Alex Thibodeaux, District Accountant at 409-985-4369 or athibodeaux@dd7.org.

Jefferson County Drainage District No. 7 encourages Disadvantaged Business Enterprises (DBEs), Minority/Women Business Enterprises (M/WBEs), and Historically Underutilized Businesses (HUBs) to participate in the bidding process. Jefferson County Drainage District No. 7 does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment, or the provisions of services. Individuals requiring special accommodations are requested to contact our office at least seven (7) days prior to the bid due date at 409-985-4369.

All interested firms are invited to submit qualifications in accordance with the terms and conditions stated in this bid.

Respondents are strongly encouraged to carefully read the entire invitation, as failure to return and/or complete all required documentation will result in a response being declared as non-responsive.

**PUBLISH:**

**Port Arthur News:**

July 12, 2025 & July 19, 2025

Allen D. Sims, P.E., General Manager

Jefferson County Drainage District No. 7

**JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

**REQUEST FOR QUALIFICATIONS (RFQ) FOR AUDIT SERVICES**

**July 7, 2025**

### Purpose

The purpose of this RFQ is to obtain the services of a public accounting firm, whose principal officers are independent Certified Public Accountants (CPAs), who are licensed by the Texas State Board of Public Accountancy to perform a financial and compliance audit. The contract issued will be for a one- year contract with options for additional one-year periods.

Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements. The audit is to be performed in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Texas Commission on Environmental Quality audit rules. A single audit may be required as the District is a grantee or subgrantee/contractor to pending state and/or federal grants. As part of the audit of general purpose financial statements, the auditor should obtain an understanding of the District’s internal control structure and report any reportable conditions relating to the internal control structure to the District management.

### Description of Entity

### Jefferson County Drainage District No. 7 (the “District”) is a water conservation and reclamation

### district created by Article XVI, Section 59 of the Texas Constitution. The District operates under

### chapter 49 of the Texas Water Code

### Financial Status and Operations

The District’s fiscal year is from October 1 through September 30. The annual budget is adopted prior to the District setting its tax rate on October 1 each year has not yet been adopted.

The District has banking relations with Stellar Bank, which is the District’s depository bank. The District’s finances are managed by Alex Thibodeaux who has financial records of the District. Any request for financial records to assist in the preparation of a response to this Request for Qualifications may be requested from Mrs. Thibodeaux at (409) 985-4369 or athibodeaux@dd7.org.

The District’s investments are coordinated by the General Manager and are made in accordance with the District’s adopted Investment Policy.

### Scope of Work

The selected CPA shall determine whether:

* The financial statements of the District fairly present its financial position and the results of its financial operations are in accordance with generally accepted accounting principles;
* If applicable, a single audit to determine that the District has complied with grant requirements;
* The District has internal accounting and other control systems to provide reasonable assurance that it is managing funds in compliance with applicable laws and regulations; and
* The District has complied with laws and regulations that may have material effect on its financial statements.

An exit conference with the General Manager and the selected CPA’s representatives may be held at the conclusion of the fieldwork. Observations and recommendations must be summarized and discussed. It should include internal control and program compliance observations and recommendations.

The District will require Ten (10) bound and One (1) electronic copy of the final audit report.

The District will also utilize the selected firm for general accounting support for District staff and to assist in ensuring that the District’s financial accounts are in compliance with GASB.

### Anticipated Timeline

The following set dates are firm and shall not be waived unless specified in writing by the General Manager:

|  |  |
| --- | --- |
| **Deadline** | **Activity** |
| August 5th, 2025 | Qualifications must be received at the District office no later than 2:00 p.m. |
| August 5th, 2025 | Qualifications to be opened 2:00 p.m. |
| September 1st, 2025 | Earliest possible start date of fieldwork by selected CPA for Financial Audit. |
| January 26th , 2026 | Submit draft Audit to General Manager. |
| February 3rd, 2026 | Final audit is submitted to Board of Commissioners. |

The audit report may be submitted earlier than the above schedule. However, if the selected CPA fails to make delivery of the audit report within the time schedule specified herein, or if the selected CPA delivers the audit report which does not conform to all of the provisions of the contract, the District may, by written notice of default to the selected CPA, terminate the whole or any part of the contract. Under certain extenuating circumstances the District may extend this schedule upon written request of the selected CPA with sufficient justification.

### Qualifications Instructions

Qualifications should be addressed as follows:

***U.S. Mail:***

Board of Commissioners

Jefferson County Drainage District #7

PO Box 3244

Port Arthur, Texas 77643

***Courier or hand-delivery:***

Board of Commissioners

Jefferson County Drainage District #7

3400 Highway 73

Port Arthur, Texas 77642

Three (3) copies of the qualifications must be submitted no later than 2:00 p.m. on August 5, 2025. Submissions received after this time will be rejected and returned unopened. Qualifications must be submitted in a sealed envelope, clearly marked in the lower left-hand corner with the following information:

## SEALED QUALIFICATIONS

### For Audit Services

Qualifications submitted via fax or email will NOT be considered.

It is the responsibility of the CPA to ensure that the qualifications are received by the District by the date and the time specified in this RFQ.

Late qualifications will not be considered.

All costs incurred in the preparation of qualifications responding to this RFQ will be the responsibility of the CPA and will not be reimbursed by the District.

At a minimum, qualifications must include:

* Description of the services to be provided, including the approaches and methods to be used, audit procedures, estimated hours, and other pertinent information. The CPA should include the type of assistance that will be required from the District staff as well as the anticipated hours of assistance;
* Description of prior auditing experience, including the names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories: (a) prior experience auditing water or other special districts; (b) prior experience auditing similar governmental districts; and (c) prior experience auditing non-profit organizations;
* Description of the CPA’s organization, size and structure.
* Description of the qualifications of principal staff to be assigned to the audit, including (a) audit team makeup; (b) overall supervision to be exercised; and (c) prior experience of the individual audit team members, such as education, position in firm, years and types of experience, continuing professional education, etc.;
* Statement of the availability of auditors necessary to conduct the audit and proposed schedule;
* Description of qualifications for the single-audit.
* Certification provided in **Appendix A** of this RFQ.
* Respondent warranties provided in **Appendix B** of this RFQ.
* Audit Evaluation provided in **Appendix C** of this RFQ.

Following the August 5th, 2025 deadline, the District will review all qualifications and will authorize its designated representatives to negotiate the details of the contract, which will be effective September 1st, 2025 or as soon as practicable thereafter.

### Evaluation and Review of Qualifications

Evaluation of each submission will be based on the following criteria:

|  |  |
| --- | --- |
| **Factors** | **Point Range** |
| Prior experience auditing municipalities. | 0-15 |
| Prior experience auditing similar governmental entities. | 0-15 |
| Prior experience auditing similar nonprofit entities. | 0-5 |
| Adequate size of the CPA firm. | 0-10 |
| Audit team qualifications. | 0-10 |
| Overall supervision to be exercised. | 0-5 |
| Prior experience of audit team. | 0-15 |
| Presentation of work to be performed. | 0-5 |
| Realistic time estimates of each audit step. | 0-5 |
| Prior experience with single audits. | 0-15 |
| Maximum Points | 100 |

The District may, at its discretion, request presentations by or meetings with any or all CPAs, to clarify or negotiate modifications to the CPAs’ qualifications.

However, the District reserves the right to make an award without further discussion of the qualifications submitted. Therefore, qualifications should be submitted initially on the most favorable terms, from both technical and price standpoints, which the CPA can propose.

The District anticipates selecting as the most qualified responder, the CPA with the highest total points.

### Non-responsive Qualifications

Qualifications may be deemed non-responsive and removed from consideration if any of the following occur:

* The qualifications are not received timely in accordance with the terms of this RFQ;
* The qualifications do not follow the specified format;
* The qualifications are submitted by fax or email;
* The qualifications do not include Appendix A, Appendix B, and Appendix C included with this RFQ;
* The qualifications are not adequate to form a judgment by the reviewers that the proposed undertaking would comply with the *Government Auditing Standards* of the U.S. Comptroller General.

### Right To Reject

The District reserves the right to reject any and all qualifications received in response to this RFQ. A contract for the accepted qualifications will be based upon the factors described in this RFQ.

### Notification of Award

Upon selection of the most qualified responder and conclusion of final negotiations with the successful audit firm, all CPAs submitting qualifications in response to this RFQ will be informed, in writing, of the name of the successful audit firm.

### Terms of Engagement

This RFQ is to contract for a financial and compliance audit for the periods of October 1, 2024 through September 30, 2025. The contract may be extended by action of the General Manager for additional one (1) year periods beginning October 1, 2025. The District and the selected CPA will agree upon the cost of services performed for each audit period.

Upon request, the selected CPA will provide a copy of all work papers pertaining to the audit, including questioned costs. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.

The work papers will be retained for at least three years from the end of the audit period.

The work papers will be available for examination by authorized representatives of federal, state, and private funding entities, the State Auditor’s office, and the District.

### Remuneration of Audit Services

Payment will be made within 20 days of receipt of an invoice and when the District has determined that the total work effort has been satisfactorily completed and ten (10) copies and one electronic copy of the final audit report have been delivered to and accepted by the District. Should the District reject a report, the General Manager will notify the selected CPA in writing of such rejection giving the reason(s) for the rejection. The right to reject a report shall extend throughout the term of the contract and for ninety (90) days thereafter.

### Questions

Inquiries concerning this RFQ should be directed to Alex Thibodeaux at **(409) 985-4369** or **athibodeaux@dd7.org**.

APPENDIX A

## CERTIFICATION

On behalf of the CPA:

The individual signing certifies that he/she is authorized to contract on behalf of the CPA.

The individual signing certifies that the CPA is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the CPA.

The individual signing certifies that there are no prices included in this submission.

The individual signing certifies that there has been no attempt by the CPA to discourage any potential CPA from submitting qualifications.

The individual signing certifies that the audit will be supervised by an individual who is a Certified Public Accountant, licensed by the Texas State Board of Public Accountancy.

The individual signing certifies that the CPA meets all of the general standards concerning qualifications, independence, due professional care and quality control as required by *Government Auditing Standards*, including the requirements for continuing professional education and external peer reviews. (Please include copy of most recent review.)

The individual signing certifies that he/she has read and understands the following publications relative to the proposed audit:

* *Government Auditing Standards*, issued by the Comptroller General of the United States;
* AICPA’s Audit Guides for State & Local Governmental Units or Non-for-Profit Organizations;
* AICPA’s Audit Risk Alerts “State and Local Governmental Developments;”
* AICPA’s Audit Risk Alerts “Not-for-Profit Organizations Industry Developments;” and

The individual signing certifies that he/she has read and understands all of the information in this Request for Qualifications.

The individual signing certifies that the CPA, and any individuals to be assigned to the audit, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state or local government. (If the CPA or any individual to be assigned to the audit has been found in violation of any state of AICPA professional standards, this information must be disclosed.)

Dated this day of , 2025.

CPA’s Name

Signature of CPA’s Representative

Printed Name and Title of Individual Signing

# APPENDIX B

## RESPONDENT WARRANTIES

1. Respondent warrants that is willing and able to obtain an error and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
2. Respondent warrants that is will not delegate or subcontract its responsibilities under an agreement without the prior written of Jefferson County Drainage District No. 7.
3. Respondent warrants that all information provided by it in connection with these qualifications are true and accurate.

Signature of Official:

Name (typed):

Title:

Firm:

Date:

# APPENDIX C

**AUDIT RFQ EVALUATION**

Name of CPA Firm:

Date:

Evaluation of each submission will be based on the following criteria:

|  |  |  |
| --- | --- | --- |
| **Factors** | **Point Range** | **Points Awarded** |
| Prior experience auditing water districts. | 0-15 |  |
| Prior experience auditing similar governmental entities. | 0-15 |  |
| Prior experience auditing similar nonprofit entities. | 0-5 |  |
| Adequate size of the CPA firm. | 0-10 |  |
| Audit team qualifications. | 0-10 |  |
| Overall supervision to be exercised. | 0-5 |  |
| Prior experience of audit team. | 0-15 |  |
| Presentation of work to be performed. | 0-5 |  |
| Realistic time estimates of each audit step. | 0-5 |  |
| Prior experience with single audits. | 0-15 |  |
| Maximum Points | 100 |  |

Evaluation conducted by:

Date: