

CITY OF ALAMO HEIGHTS
FINANCE DEPARTMENT



REQUEST FOR QUALIFICATIONS (RFQ)
FOR AUDITING SERVICES

April 1, 2026

SUBMITTAL DEADLINE:
MAY 1, 2026 @ 2:00 P.M. CDT



CITY OF ALAMO HEIGHTS REQUEST FOR QUALIFICATIONS (RFQ) AUDITING SERVICES

The City of Alamo Heights, Texas (the City) is soliciting Requests for Qualifications (RFQs) from qualified firms of certified public accountants to audit its annual financial statements.

City Contact

Kristine Horton

Phone: 210-882-1502

khorton@alamoheightstx.gov

Mailing/Physical Address

City of Alamo Heights

6116 Broadway

San Antonio, TX 78209

Due to City of Alamo Heights

by 2:00 PM, Central Daylight Time (CDT) on Friday, May 1, 2026

Questions Due to City no later than: Friday, April 17, 2026, 4:00 p.m. CDT

SECTION I – INTRODUCTION

A. BACKGROUND

The City of Alamo Heights is a home-rule municipality that operates under a municipal charter that has been adopted or amended as authorized by Article XI, Section 5, of the Texas Constitution. The Alamo Heights City Charter was adopted in 1954 and then amended in November 2007 and May 2011. Pursuant to its provisions and subject only to the limitations imposed by the state constitution and by state law, all powers of the City are vested in the elective City Council, which enacts local legislation, adopts budgets, determines policies, and appoints the highest-level city officials. The City Council executes the laws and oversees the government of the city. The City is a full service City and provides a wide variety of services to citizens and visitors in the Alamo Heights area. Services include police, community development, building inspections, code enforcement, public works (owner and operator of water system and wastewater system), and general administrative activities.

The City of Alamo Heights follows a “Council-Manager” form of government as provided by the City Charter. Alamo Heights is governed by a Mayor and five (5) Councilmembers who serve staggered two-year term. The City has three (3) boards and commission: the Planning & Zoning Commission, Board of Adjustment and Architectural Review Board.

B. PROJECT OVERVIEW

The City of Alamo Heights, Texas (the City) is soliciting Requests for Qualifications (RFQs) from qualified firms of certified public accountants to audit its annual financial statements. The term of the audit contract will be for five (5) years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in 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. There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals to respond to this request.

During the evaluation process, city staff reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted. Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFQ, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.

It is anticipated that the selection of a firm will be completed before May 31, 2026. Following the notification of the selected firm, it is expected a contract will be executed between both parties within 60 days. The audit services contract will be for a five-year term. A termination clause of minimum of one hundred twenty-days (120) will be included in the contract between the City and audit firm.

C. SUBMITTAL REQUIREMENTS

Respondent shall submit one (1) original bound RFQ proposal with one (1) unbound copy along with one (1) electronic version (by USB). Included must be the RFQs must be clearly marked "RFQ FOR AUDIT SERVICES FOR CITY OF ALAMO HEIGHTS" on the front of the package.

RFQs must be received/delivered to, no later than **Friday, May 1, 2026, at 2:00 p.m.:**

Elsa Robles
City Secretary
6116 Broadway
San Antonio, TX 78209

The City will not reimburse any expenses incurred by the responder including, but not limited to, expenses associated with the preparation and submission of the response and/or attendance at interviews.

Any submittals received after this time shall not be opened and will be returned and not considered. NO EXCEPTIONS. Submittals sent by facsimile or email will not be accepted. Proposers should strive for early submission to avoid the possibility of rejection for late arrival. The City will not be responsible in the event that the U.S. Postal Service or any other carrier system fails to deliver the proposal to the City by the given deadline above.

All questions and inquiries about this Solicitation shall be submitted in writing by 4:00 pm CST, no later than April 17, 2026, too:

Kristine Horton
Finance Director
6116 Broadway
San Antonio, TX 78209

Questions received after the stated deadline will not be answered. All questions and answers are considered part of this RFQ. Interpretations or clarifications considered necessary by the City in response to such questions will be issued by Addenda and posted on the City's website. Respondents are prohibited from contacting City Council members, City staff or Management directly during the pre-SOQ or post-SOQ period unless and until an award has been made, and any resulting contract or agreement has been carried out. All communications shall be with City Staff until such point in the process that the Respondent is requested or allowed to make a

presentation to the City Council. Likewise, Respondents are prohibited from attempting to influence the recommendations made by City Staff to the City Council through any means other than legitimate submissions and discussions actually provided for by the process. Should a Respondent be determined by the City to have engaged in such prohibited conduct, the submittal will be DISQUALIFIED, AND ITS BID WILL NOT BE GIVEN FURTHER CONSIDERATION.

The City intends to respond to all appropriate questions or concerns; however, the City reserves the right to decline to respond to any question or concern. All material modifications, clarifications or interpretations will be incorporated into an addendum which will be publicly posted. All addenda issued prior to the due date and time for responses are incorporated into the RFQ and must be acknowledged in the SOQ response. Only written information provided shall be binding. Oral or other interpretations shall not be binding and are held without legal effect.

Addendum

Should specifications be revised prior to the deadline for submission of the RFQ, the City will issue an addendum addressing the nature of the change and post them on the City’s website. Firms should acknowledge any addendum and return the form with their RFQ package. The Firm is responsible for checking the City’s website to determine if any addendum has been issued prior to submitting their RFQ response. Failure to consider all addenda will be at the firm’s risk.

Rejection of Submissions

THE CITY OF ALAMO HEIGHTS RESERVES THE RIGHT TO REJECT ANY AND ALL SOQS, TO WAIVE IRREGULARITIES, TO REQUEST ADDITIONAL INFORMATION FROM ALL RESPONDENTS, AND FURTHER RESERVES THE RIGHT TO SELECT THE SOQ, WHICH FURTHERS THE BEST INTEREST OF THE CITY. THE CITY RESERVES THE RIGHT TO SHORT LIST RESPONDENTS AND BASE FINAL SELECTION RANKINGS ON PERSONAL INTERVIEWS. THIS SOLICITATION DOES NOT OBLIGATE THE CITY TO ENTER INTO AN AGREEMENT WITH ANY RESPONDENT. THE CITY RESERVES THE RIGHT TO CANCEL THIS REQUEST FOR QUALIFICATION (RFQ) AT ANY TIME, AT ITS DISCRETION.

Award of the Contract

Award of the contract shall be based on demonstrated competence and qualifications, so long as the professional fees are consistent with, and not higher than the published recommended practices and fees of the various professional associations and do not exceed any maximums provided by state law.

Schedule of Events

The following tentative schedule has been prepared:

Date of Issuance	April 1, 2026
Due Date for Written Questions	April 17, 2026
Due Date for Responses	April 22, 2026
Due Date for RFQ Bid Package	May 1, 2026 @ 2:00 PM
Anticipated City Council Consideration	May/June 2026

Communication/Clarification

If any Respondent is in doubt as to the meaning of any part of this solicitation, a written request for clarification should be submitted by email to Kristine Horton, Finance Director (khorton@alamoheightstx.gov) no later than **Friday, April 17, 2026 at 5:00 p.m.**

Evaluation Criteria

The City will conduct a comprehensive, fair, and impartial evaluation of all submittals received in response to this RFQ. The City may appoint a selection committee to perform the evaluation. Each submittal will be analyzed to determine overall responsiveness and qualifications under the RFQ. Criteria to be evaluated may include the items listed below. The selection committee or Council may select all, some or none of the Respondents for interviews. If the City elects to conduct interviews, selected firms may be interviewed and re-scored based upon these same criteria, or other criteria to be determined by the selection committee. The City may also request additional information from Respondents at any time prior to final approval of a selected firm. The City reserves the right to select one, more than one, or none of the Respondents to provide services. Final approval of a selected firm is subject to the action of the City of Alamo Heights City Council. Fees provided for in contracts or agreements shall not be made part of the RFQ Response and will not be considered until the highest qualified firm is selected for negotiation purposes.

The City Council exercises its discretion in the final selection of a candidate for contract negotiations and will not be bound by the committee or staff recommendation, scoring, and ranking. The staff's preliminary reviews and scoring of SOQ Submittals merely determines the top ranked firms who are most technically qualified as finalists and are eligible for interviews by the City Council.

By submitting a response to this RFQ, the firm accepts the evaluation process as outlined in the preceding sections and acknowledges and accepts the determination of the "most qualified" firm, which may require subjective judgments by the City Council.

The City reserves the right to reject any and all responses and to waive any informality in responses received.

The City reserves the right to directly award this prospective professional services contract to a qualified accounting firm demonstrating competence to perform the proposed services, pursuant to: Texas law (Texas Government Code Chapter 2254, "Professional Services Procurement Act").

The City reserves the right to directly award this prospective professional services contract to a qualified selected firm demonstrating competence to perform the proposed services within negotiation of fees.

The following evaluation criteria and their respective weights will be used in selecting a Professional Firm:

Evaluation Criteria:

Qualifications and Relative Experience (40 points)

Team Composition (30 points)

Responsiveness to RFQ (15 points)

Previous Project Performance (15 points)

Interview of selected firms based on the evaluation criteria (if requested by committee or Council) (20 points)

SECTION II – SCOPE OF WORK

The City desires the auditor to express an opinion on the fair presentation of the City's general purpose financial statements in conformity with generally accepted accounting principles (GAAP).

- The City also desires the auditor to express an opinion on the fair presentation of its combining and individual fund and account group financial statements and schedules in conformity with GAAP. The auditor is not required to audit the statistical section of the report.
- The auditor is responsible for the preparation of an Annual Comprehensive Financial Report (ACFR) to include a minimum of two (2) hard bound copies and one in electronic PDF format.

- To meet the requirements of this RFQ proposal, the audit shall be performed in accordance with Generally Accepted Auditing Standards (GAAS) as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act of 1984 and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Additionally, the single audit work will be conducted in accordance with GAAS to meet all federal grant audit requirements.
- The auditors should submit a list of requested client-prepared schedules to the City's Finance Director prior to the start of fieldwork. As the accounting division must carry on its normal operations during the audit, time constraints should be taken into account.
- Annual Comprehensive Financial Report. The City will send its ACFR to the Government Finance Officers Association (GFOA) of the United States and Canada for Financial Review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor may be required to provide special assistance to meet the requirements of that program.
 - The auditor agrees to provide completed and bound financial statements with an electronic original and audit opinion to the City before February 28, 2027, for the FY 2026 audit. The audits of FY 2027 through and 2030 will be due in February of each subsequent year. The City has two council meetings each month on the 2nd and 4th Mondays of each month, and the completed audit will be presented to Council on the 2nd Monday of March or by the 4th Monday of March at the latest.
 - An introductory transmittal letter will be provided by the city, management discussion and analysis (MD&A) and statistical sections of the Comprehensive Annual Financial Report will be prepared by both the auditors and City staff.
 - The auditor will compile and prepare all financial statements and schedules in the financial section of the Comprehensive Annual Financial Report.
 - The notes for the financial statements will be a joint effort of the City and the auditors and will be prepared by the auditor.
 - The City reserves the right to edit the auditor's Comprehensive Annual Financial Report and make recommendations and/or modifications, in accordance with all applicable governmental reporting requirements.
 - Certificate of Achievement. The auditors should have the Audited Financial Statement completed at the earliest possible date and presented to council in February. The auditor will also prepare written responses as required by the GFOA Certificate of Achievement for Excellence in Financial Reporting, resulting from the prior year GFOA Financial Review.
 - The schedule of federal financial assistance and related auditor's report, if required, as well as reports on internal control structure and compliance are to be issued as part of the audit.
- Working Paper Retention and Access to Working Papers. All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years. The auditor will be required to make working papers available to the Finance Director.

Supplementary Information

- The financial section of the ACFR will include supplementary data to which the opinion must extend with respect to the manner in which is required by GASB. This supplementary information will include the government-wide financial statements, the fund financial statements for the major governmental funds and proprietary funds, and the combining and individual financial statements and schedules for all funds of the City and its' component units.

- The auditor's assistance and consultation will be required in implementing new GASB and FASB statements at the earliest possible date, even if prior to the required effective date.
- The auditor shall communicate in a letter to management any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.
 - Any significant management recommendations should be discussed with the Finance Director as they are discovered, so that the City can ensure immediate correction of any problems.
- If a single audit is needed, the single audit will cover all federal and state grants and/or funding. Final products will include:
 - Supplemental schedule of federal and state financial assistance; and
 - Report on internal control systems and on administration of federal and state financial assistance; and
 - Report on compliance with laws and regulations.
 - A Single Audit was performed for FYE 2025 but the City does not expect one for FYE 2026.
- Working papers and Time Budgets. The City will require copies of all working papers and may require supporting documentation on adjusting journal entries by February 15 of the subsequent fiscal year end or sooner if requested by Finance Director. The audit working papers will be made available to the City, to subsequent auditors, and to the City's cognizant federal and state audit agencies at no charge.
- The audit time budget will be reviewed with the Finance Director prior to commencement of field work. An accounting of hours devoted to the job compared to budget will be submitted to the Finance Director on or before February 28, 2027, or before final payment is made by the City.
- This will be a one (1) year contract, with up to four (4) one-year renewal terms available upon the mutual agreement of the parties with no more than a 3% escalation factor per renewal. The annually renewable agreement is meant as an option for either party to exit the contractual obligation at its discretion.
- Tax-Exempt Status: City purchases are exempt from State Sales Tax and Federal Excise Tax. Do not include tax in your proposal. The City will furnish an Excise Tax Exemption Certificate upon request.
- Public Inspection of Bids: The City strictly adheres to the Texas Public Information Act (Texas Government Code Chapter 552.001, et seq.) and all other governing statutes, regulations, and laws regarding the disclosure of RFQ information. RFQ Documents are not available for public inspection until after the contract award. If the Proposer has notified the City, in writing, that the Proposal contains trade secrets, proprietary or confidential information, the City will generally take reasonable steps to notify the Proposer that their bid information has been requested and to take steps to prevent disclosure of such information, in accordance with the Public Information Act. This is a statement of general policy only, and in no event shall the City be liable for disclosure of such information by the City in response to a request, regardless of the City's failure to take any such reasonable steps, even if the City is negligent in failing to do so. Therefore, Proposers should use care in including information that they consider confidential. ANY portion of a proposal that the Proposer claims is a trade secret or is proprietary and confidential MUST be clearly marked CONFIDENTIAL. Please note that pricing information, general methods of service provision, and other such matters are NOT trade secrets or proprietary information.

Time Expectations

Presentations are expected at a minimum of 1 City Council meeting.

SECTION III – STATEMENT OF QUALIFICATIONS (SOQ) CONTENTS, PROVISIONS AND REQUIREMENTS

RFQ/SOQ FORMAT, CONTENTS AND EVALUATION CRITERIA

The RFQ has been structured to provide specific requirements which function as a standardized framework for the evaluation of prospective selected firm's qualifications and experience.

The responses to this RFQ must be made in accordance with the format set forth in this Section and using the Required Forms attached to this RFQ as "Attachment A" being Form 1 to Form 5, including required submittals (Proof of Insurance, Job descriptions and resumes, and Letters of Reference). Only RFQs that have been determined to be responsive will be considered. Failure to adhere to the following format may cause rejection of the RFQ as non-responsive.

1. Cover Letter

The RFQ shall contain a cover letter and introduction, which includes the company name and address, name and telephone number of individuals authorized to represent the selected firm regarding all matters related to the RFQ/SOQ and any contract subsequently awarded to the selected firm. This letter shall be signed by any person(s) authorized to bind the company to all commitments made in the RFQ. If the Respondent is a partnership, the RFQ must be signed in the name of the partnership by a general partner thereof. If the Respondent is a corporation, the RFQ must be signed on behalf of the corporation by two authorized officers (Chairman of the Board of Directors, President or Vice-President and a Secretary, Treasurer or Chief Financial Officer) or an officer authorized by the Board of Directors to execute such documents on behalf of the corporation. All signatures above must be original and in ink on at least one copy of the RFQ submitted to the City.

2. Table of Contents

Clearly identify the materials by section and page number.

3. Team Capability

The selected firm's capability to perform all the work and recent experience in projects comparable to the proposed scope of work.

4. Key Personnel/Qualification of Staff

The selected firm's key personnel professional qualifications, experience, availability for the proposed project; their reputation, professional integrity, and competence. Specific emphasis should be placed on the primary contact, team expertise leaders, and sub-consultants being used on the project.

5. Quality of Similar Projects

The selected firm's capability to meet aggressive schedules and deadlines; quality of similar previous projects and their capability to complete similar plans without having major cost escalations or overruns. Provide at least three project descriptions and references from previous projects.

6. Understanding the Scope of Work

The selected firm's understanding of the project and potential challenges.

7. Familiarity

The selected firm should demonstrate their understanding of the financial statements, the needs, work required, and any laws/regulation issues or concerns. The selected firm must provide a brief statement of qualifications and experience in the following areas:

- a) Preparation of the ACFR
- b) Financial Statement Development
- c) Specialized in technical scope and deliverables
- d) Aware of any new laws and regulations and maintaining compliance requirements
- e) Bidding and/or negotiation
- f) Prior experience with like audits in municipalities

8. References

Name, title, address, telephone number, and email address of three (3) former or current clients who have, within the last five years, contracted with the Respondent for services similar to those described in this RFQ.

9. Insurance

The selected firm shall carry insurance or be able to obtain an errors and omission insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees, or agencies thereof.

- o The firm will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the City

A. **ORAL INTERVIEWS, PRESENTATIONS OR DEMONSTRATIONS (OPTIONAL)**

Selected Respondents may be given an opportunity for oral interviews, presentations, or demonstrations. The presentation process will allow Respondents to demonstrate their SOQ offering and explain and/or clarify any unusual or significant elements related to their SOQs. At this stage, Respondents shall not be allowed to alter or amend their SOQs. The Evaluation committee will score each presenting Respondent.

20 POINTS

ORAL INTERVIEWS

B. **FINAL EVALUATION AND RANKING AFTER ORAL INTERVIEWS**

The Evaluation committee will make its recommendation for award to the most highly qualified Respondent(s) based on a combination of the evaluation criteria and the oral interview, presentation, or demonstration (if utilized). Final total score will be determined using the following formula:

$$\text{Initial Evaluation Score} + \text{Oral Interview Score} = \text{Final Total Score.}$$

10. Negotiation Process

At the conclusion of the evaluation process, the City of Alamo Heights will rank candidates by order of highest qualifications and attempt to negotiate with the most highly qualified firm selected to negotiate a fee. Once an individual scope and fee proposal is negotiated with the City, the firm must agree to enter into a Professional Services Contract acceptable to the City. If a mutually satisfactory agreement cannot be reached with the selected provider, negotiations will be formally terminated, and the City will proceed with negotiations with the next most highly qualified provider until a mutually satisfactory agreement is reached.

11. Prohibited Respondents

1. The City of Alamo Heights will not conduct business with firms who have failed to comply with their contracts and have been debarred from doing business with the State of Texas or the federal government.
2. Successful firm must affirm, in any resulting contract, that (i) it does not Boycott Israel; and (ii) will not Boycott Israel during the term of any resulting Contract. This section may not apply if the Company is a sole proprietor, a non-profit entity or a governmental entity; and only applies if: (i) the Company has ten (10) or more fulltime employees and (ii) the Contract has a value of \$100,000.00 or more to be paid under the terms of the Contract.
3. Successful firm must affirm, in any resulting contract, that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization.
4. Successful firm must affirm, in any resulting contract, that it does not boycott energy companies, and will not boycott energy companies during the term of the Agreement.
5. Successful firm must affirm, in any resulting contract, that it (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate against a firearm entity or firearm trade association during the term of the Agreement.
6. Successful firm must affirm, in any resulting contract, that it is not (i) owned or controlled by (a) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (ii) headquartered in China, Iran, North Korea, Russia or a designated country.

12. DISCLOSURE OF CONFLICT OF INTEREST

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code (House Bill 914) requires that any vendor or person considering doing business with a local government entity disclose the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. The Conflict of Interest Questionnaire form is available from the Texas Ethics Commission (TEC) at <https://www.ethics.state.tx.us>. Any completed Conflict of Interest Questionnaires shall be submitted to CITY.

13. DISCLOSURE OF INTERESTED PARTIES

Contracting hereunder may require compliance with §2252.908 Texas Government Code/Disclosure of Interested Parties for contracts that (1) require an action or vote by City Council before the contract may be signed; or (2) have a value of at least \$1 million. The law provides that a governmental entity may not enter into certain contracts with a business entity unless the business entity submits a Disclosure of Interested Parties certificate to the governmental entity at the time the business entity submits the signed contract to the governmental entity or state agency.

The process as implemented by TEC is as follows:

1. The Disclosure of Interested Parties certificate must be performed using the [Texas Ethics Commission's electronic filing application](#) listing each interested party of which the business entity is aware on Form 1295, obtaining a certification of filing number for this form from the TEC, and printing a copy of it to submit to CITY.

2. The copy of Form 1295 submitted to CITY must contain the unique certification number from the TEC. The form must be filed with CITY pursuant to §2252.908 Texas Government Code, “at the time the business entity submits the signed contract” to CITY.
3. CITY, in turn, will submit a copy of the disclosure form to the TEC not later than the 30th day after the date the CITY receives the disclosure of interested parties from the business entity.

14. PERSONAL INTEREST

No officer, employee, independent consultant, or elected official of CITY who is involved in the development, evaluation or decision-making process of this Solicitation shall have a financial interest, direct or indirect, in the resulting Agreement. Any willful violation of this Paragraph shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. In the event a member of the governing body or an appointed board or commission of the CITY belongs to a cooperative association, the CITY may purchase services from the association only if no member of the governing body, board or commission will receive pecuniary benefit from the purchase, other than as reflected as in increase in dividends distributed generally to members of the association. Any violation of this provision with the knowledge, expressed or implied, by the Vendor shall render the Agreement voidable by the CITY. Nevertheless, the CITY may obtain the services under the Agreement if a conflict-of-interest affidavit is filed and the Council member recuses his/herself.

ATTACHMENT "A"

[For Required Forms Click Here](#)