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## *Texas State Securities Board*

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**January 6, 2022**

### **Fiscal Year 2022 Internal Auditor: Request for Proposals NIGP Class Item: 946-20**

#### **I. Scope of Services:**

The State Securities Board (the "Board" or "Agency") is issuing a request for proposals ("RFP") from independent audit entities for purposes of conducting an independent audit in accordance with Chapter 2102 of the Government Code for fiscal year 2022. The audit will include the examination and evaluation of the adequacy and effectiveness of the Agency's systems and controls as well as the quality of performance in carrying out assigned responsibilities. The area(s) to be audited will be determined by the selected audit firm based on the firm's risk assessment protocols. Generally, the internal auditor will develop an audit plan and execute the plan covering 1-2 functions annually. The audit plan is subject to approval by the Agency's Board.

Information about the Agency can be accessed at [www.ssb.texas.gov](http://www.ssb.texas.gov).

#### **II. Deliverables:**

The internal auditor must complete an annual risk assessment, develop an annual audit plan, provide a draft audit report, and provide a final audit report for the fiscal year audited. The final report must be made reasonably available before the September 2022 Board Meeting so that it can be reviewed by the Board before submission of the report to the Legislative Budget Board by no later than November 1, 2022.

#### **III. Duties of Internal Auditor:**

The duties of the internal auditor include the following: reporting to the Board's audit committee; completing an annual risk assessment and developing an annual audit plan; conducting audits as specified in the approved audit plan and documenting deviations; and preparing audit reports for review by the Board and the Commissioner including the final annual audit report as required by Section 2102.0091 of the Government Code, in accordance with professional standards as provided by Section 2102.011 of the Government Code.

Additional responsibilities of the internal auditor include attending the Agency's Board Meetings, as necessary.

#### **IV. Dollar Amount of Proposed Services:**

Not to exceed \$35,000.00

#### **V. Internal Auditor Minimum Requirements & Submission Items:**

The internal auditor must be a certified public accountant actively licensed by the Texas State Board of Public Accountancy or a certified internal auditor and have at least seven (7) years of auditing experience.

A proposer must submit the following:

- (a) A description of its previous experience in providing similar services, including a list of state agencies for which the proposer has provided services in the last ten (10) years and indicating within the list whether each agency is a current or former client, if applicable;
- (b) Two (2) examples of similar audit reports completed by the proposer dated within the last two (2) years (internal audit reports of Texas state agencies are preferred);
- (c) At least three (3) references from clients for whom similar services were performed, including a name, title, name of agency, phone number, and email address for each reference;
- (d) A list of key personnel who will be performing the internal auditing services with names, titles, qualifications, experience, resumés, a description of each key individual's role, and the hourly rate of each individual;
- (e) Hourly rates of individuals other than key personnel, as well as other fees for the internal auditing services;
- (f) Estimated work hours by job title(s) and total anticipated hours for completion of the risk assessment and audit plan, audits to be performed, and annual report; and
- (g) Any submissions or disclosures required by Sections VI, VII, and VIII of this RFP.

#### **VI. Historically Underutilized Business (HUB) Certification:**

HUB certified auditors are encouraged to submit a proposal. Any proposer that is HUB certified by the Statewide Procurement Division (SPD) of the Comptroller of Public Accounts (CPA) or one of its predecessors must submit a copy of its HUB certificate.

#### **VII. Texas Vendor Preference:**

All other factors being equal, preference will be given to a proposer who meets one or more of the following criteria:

- (1) Proposer is incorporated in Texas;
- (2) Proposer's principal place of business is in Texas; or
- (3) Proposer has an established physical presence in Texas.

Proposers who may qualify for the Texas Vendor Preference should provide information establishing the applicable criteria as part of the proposal package.

**VIII. Conflicts of Interest:**

Each proposer must disclose any existing or potential conflicts of interest; all contractual or informal business arrangements, including fee arrangements and consulting agreements, between the proposer and the Agency and its members, the Agency's staff, or any entity that is regulated by the Agency; and all relationships with any other Texas state agencies.

**IX. Proposal Submission and Review Process:**

To be considered, proposals must be received by the Agency in writing on or before **5:00 PM, CST, February 9, 2022**. Proposals received by this deadline will be reviewed by the Board's Audit Committee. Late proposals will not be considered. The Audit Committee will recommend the internal auditor for approval to the Board at a subsequent public Board Meeting.

**X. "Best Value" Review and Recommendation:**

The Audit Committee recommendation will be based on price and best value considerations referenced in Sections 2155.074 and 2156.007 of the Government Code. Factors, other than price, that will be considered for each proposal include:

- (1) Ability to perform required services: the Agency will consider each proposer's license standing and disciplinary history with the Texas State Board of Public Accountancy;
- (2) Quality of past performance: the Agency will consider each proposer's past performance as related to internal audit contract services provided to the Agency and provided to other state agencies; and
- (3) Demonstrated capability: the Agency will consider Exceptional Vendor Performance Reports submitted to the Comptroller of Public Accounts for each firm, as well as examples of internal audit reports generated by the proposers for other state agencies utilizing internal audit contract services.

**XI. Other Matters:**

The Agency may reject proposals, amend this RFP, or cancel this RFP at any time.

Following the award of the contract, all proposals are subject to the Texas Public Information Act.

**XII. Proposal Inquiries and Submission:**

Proposal submissions must be signed by proposer's legally authorized agent who shall affirm that all statements and materials provided within the proposal are true and correct. All pages must be numbered and arranged to correspond directly with the sections of this RFP.

Proposers shall direct all inquiries and communications regarding this RFP to the point of contact's email address listed below.

Proposal submissions may be delivered by email or mail to the point of contact listed below:

Name: Travis J. Iles, Commissioner

Email: [RFP2022@ssb.texas.gov](mailto:RFP2022@ssb.texas.gov)

Mail: Texas State Securities Board  
c/o Travis J. Iles, Commissioner  
208 E. 10th Street, Room 501  
Austin, Texas 78701