

**Purchase Request #10**  
**Regular Board Meeting January 27, 2025**  
**Consideration of Approval to Contract for Financial Audit Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a contract with Whitley Penn, LLP for financial audit services for the College and Foundation.

**BACKGROUND**

As required by state and federal laws and college policy, the financial records of the College and Foundation are independently audited on an annual basis. The independent auditors examine the financial statements prepared by the College and Foundation personnel and prepare an opinion on the fair presentation of the financial statements and whether they were prepared in accordance with generally accepted accounting principles.

Request for qualifications #25-03 was issued on November 18, 2024, to procure financial audit services, which complies with the competitive procurement requirements per Texas Education Code §44.031(a). Five responses were received and evaluated by a team comprised of representatives from the financial aid department, finance department, comptroller's office, and office of grants management who determined the proposal submitted by Whitley Penn, LLP will provide the best value to the College.

**IMPACT OF THIS ACTION**

The firm will be engaged to perform the Comprehensive Annual Financial Audit for the College, subrecipient monitoring of federal grants, and the Foundation audit, in accordance with standards prescribed in the Statements on Auditing Standards promulgated by the American Institute of Certified Public Accountants. In addition, the College audit will meet the requirements established by the Texas Higher Education Coordinating Board – Annual Financial Reporting Requirements, in accordance with auditing standards generally accepted in the United States of America, standards applicable to financial audits contained in Government Auditing Standards issued by Comptroller General of the United States, federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for federal awards, and state awards as required by the State of Texas Single Audit Circular.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated annual expenditure is \$147,000 and a total of \$441,000 for the initial three-year term which will be funded from the district business office and Foundation's 2025-2026 operating budget and subsequent year budgets.

**MONITORING AND REPORTING TIMELINE**

The initial three-year award term will commence on June 8, 2025, through June 7, 2028, with two two-year renewal options.

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**ATTACHMENTS**

Attachment 1 - Tabulation

**RESOURCE PERSONNEL**

|                |              |                         |
|----------------|--------------|-------------------------|
| Teri Zamora    | 281-998-5555 | teri.zamora@sjcd.edu    |
| Carin Hutchins | 281-998-6306 | carin.hutchins@sjcd.edu |
| Farrah Khalil  | 281-998-6326 | farrah.khalil@sjcd.edu  |

**RFQ #25-03**  
**Financial Audit Services**  
**Attachment 1 – Tabulation**

**QUALIFICATIONS**

| # | Vendors                               | Section 1:<br>Firm and<br>Personnel<br>Experience | Section 2:<br>Project<br>Understanding,<br>Approach | Section 3:<br>Transition and<br>other Audit<br>Services | Section 4:<br>References | Section 5:<br>Exceptions<br>Terms &<br>Conditions | Total<br>Points |
|---|---------------------------------------|---|---|---|--------------------------|---|-----------------|
|   | <i>Total Points</i>                   | <i>40</i>   | <i>25</i>   | <i>20</i>   | <i>10</i>                | <i>5</i>  | <i>100</i>      |
| 1 | <b>Whitley Penn, LLP</b>              | 36.43   | 22.75   | 16.80   | 8.60                     | 4.40  | <b>88.98</b>    |
| 2 | <b>Weaver and Tidwell, LLP</b>        | 34.16   | 21.00   | 16.17   | 5.60                     | 3.80  | <b>80.73</b>    |
| 3 | <b>Carr., Riggs &amp; Ingram, LLC</b> | 31.58   | 19.55   | 15.40   | 8.20                     | 4.20  | <b>78.93</b>    |
| 4 | <b>CLA (Clifton, Larson, Allen)</b>   | 31.54   | 20.15   | 16.23   | 6.00                     | 3.60  | <b>77.52</b>    |
| 5 | <b>Forvis Mazars, LLP</b>             | 29.98   | 20.40   | 15.20   | 5.80                     | 4.00  | <b>75.38</b>    |