

**ANDREWS CENTER  
REQUEST FOR PROPOSAL  
ANNUAL FINANCIAL AND COMPLIANCE AUDIT**

The Andrews Center is requesting proposals from public accounting firms to perform the annual audit for fiscal year 2026.

I. **BACKGROUND INFORMATION**

A. **Purpose of the Audit**

The purpose of the Request for Proposal is to obtain the services of a public accounting firm for the annual financial and compliance audit for fiscal year ending August 31, 2026. The comprehensive financial and compliance audit shall be prepared in accordance with Texas Health and Safety Code section 53.068, 40 Texas Administrative Code Chapter 1, Subchapter G, and HHSC's Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers (21<sup>st</sup> Revision – February 2005).

The financial statement audit is to determine whether (1) the financial statements present fairly the financial position, results of operations, and cash flows in accordance with generally accepted accounting principles, and (2) whether the Andrews Center has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements. The financial related audit will also include determining whether (1) financial reports and related items are fairly presented, and (2) financial information is presented in accordance with established or stated criteria.

As a part of the audit of the general purpose financial statements, the annual audit will also include obtaining an understanding of the Andrews Center's internal control structure and identifying any reportable conditions relating to the internal control systems coming to the attention of the auditors. Any reportable condition or material weakness noted during the study and evaluation of internal accounting and administrative controls must be reported.

As part of the audit of the general purpose financial statements, transactions and records pertaining to federal and state programs will be tested for material compliance with applicable federal and state laws, rules, and regulations, and all instances of noncompliance required to be reported under *Government Auditing Standards* will be reported to Andrews Center.

The compliance audit, commonly referred to as the single audit, subjects to testing all federal and state financial assistance. Federal and state financial assistance must be treated as separate populations for the determination of major programs. Major Type A and Type B financial assistance programs (as defined by Uniform Guidance (2 CFR Part 200)) will be tested for compliance with laws and regulations, as well as compliance with

specific requirements of the grants or contracts. All instances of noncompliance will be reported to Andrews Center.

#### B. Independent Auditor

In order to be eligible to submit a proposal, firms must:

- Maintain membership in an external quality control review organization;
- Have had a peer review conducted within the past 3 years and must have been issued an unqualified report;
- Have verifiable experience in performing Community MH-IDD Center audits within the past 3 years;
- Not be under the terms of a public or private reprimand by the Texas State Board of Public Accountancy and/or licensing boards of other states; and
- Be eligible to do business in the State of Texas.

#### C. Term of the Audit Engagement

A proposal will be selected at the **April 28, 2026** Andrews Center Board of Trustees meeting. The contract for audit services based upon the Andrews Center Board of Trustees approval of the proposal will be for the fiscal year ending August 31, 2026. Andrews Center may request to extend this agreement for up to five additional one-year terms through fiscal year August 31, 2031, following satisfactory delivery of the services specified in the proposal and engagement letter. The contract can be terminated for cause.

### II. Statement of Requirements

1. Fieldwork will be at the mutual convenience of AC and the independent auditor's schedules.
2. On or before **December 23, 2026**, the preliminary draft of the reports will be presented to AC for review and comment.
3. Satisfactory delivery of the services specified by the request for proposal and the engagement letter shall be accomplished in time for AC's Board of Trustees' Finance Committee to meet and recommend prior to the full meeting of the Board of Trustees (**January 26, 2027**).
4. The independent auditor will be required to present the reports to both the Board of Trustees' Finance Committee and to the full Board.
5. The independent auditor will be required to provide a management letter containing comments oriented toward constructive improvements, when appropriate.
6. The independent auditor will provide AC with 15 bound copies and one electronic Portable Document Format (PDF) of the audit report, following the standards outlined above.
7. Copies of the independent auditor's work papers will be made available to AC and to its coordinating agency, upon request.

### **III. PROPOSAL CONTENT**

**Technical Component:** To describe clearly the public accounting firm's understanding of the work to be done, the proposer will:

1. Explain the proposer's approaches to performing an annual financial and compliance audit, including the methodology, nature, and extent of audit procedures to be performed;
2. Make a statement concerning the independence of the proposer, including direct and indirect financial interest, and the relationship of the proposed audit team to employees of Texana Center and any of the Board of Trustees members.

**Management Component:** The proposer will furnish satisfactory evidence of capability to provide in a professional and timely manner the services stated in the Request for Proposal. To meet this requirement, the proposer will:

1. Provide the name of the external quality control review organization of which the proposer is a member and the proposer's length of membership. Also, state the review organization's planned frequency of peer reviews;
2. Provide a copy of the most recent peer review and whether an unqualified report was issued
3. Provide evidence that the proposer has experience in performing Texas Community MH-IDD Center audits in the last three years. List current and past audit clients and the number of years audit services were provided;
4. State whether the proposer is currently under the terms of a public or private reprimand by the Texas State Board of Public Accountancy and/or licensing boards of other states;
5. Describe the proposed audit team, in terms of job positions in the firm;
6. List names of staff member(s) who will direct the overall audit throughout the duration of the engagement as well as those staff members who will be responsible for planning, directing, and conducting substantial portions of the fieldwork or reporting on this audit engagement. Include the educational background of all staff members named and professional licenses held;
7. Provide all pricing information relative to performing the audit engagement as described in this request for proposal
8. Provide certification that the person signing the proposal is entitled to represent the firm and authorized to sign a contract with Andrews Center.

**IV. PROCEDURES FOR SUBMITTING PROPOSALS**

All proposals must be received by the Chief Financial Officer of Andrews Center, Randa Haywood at [rhaywood@andrewscenter.com](mailto:rhaywood@andrewscenter.com) before **March 31, 2026** at 5pm. A delivery receipt is recommended.

Any person wishing to obtain additional information about the request for proposal or about the operations of Andrews Center may contact Randa Haywood, Chief Financial Officer at [rhaywood@andrewscenter.com](mailto:rhaywood@andrewscenter.com).