



NAVARRO CENTRAL APPRAISAL DISTRICT

Navarro County, Texas

REQUEST FOR PROPOSALS

Independent Financial Audit Services

RFP No. NCAD-2026-AUDIT-01

Issued: [09/28/2026]

Proposals Due: 11/06/2026 at 4:30 p.m. Central Time

Issued by:

Navarro Central Appraisal District

1250 N 45th St Corsicana, TX 75110

(903) 872-6161 | general.info@navarrocad.com | www.navarrocad.com

Table of Contents

1. Introduction and Purpose	3
2. District Background and Profile	3
3. Statutory Authority and Governing Standards	4
4. Scope of Services	4
4.1 Annual Financial Statement Audit.....	4
4.2 Financial Report Preparation Assistance	5
4.3 Internal Control and Required Communications.....	5
4.4 Compliance Testing.....	5
4.5 Deliverables and Reporting.....	5
5. Term of Engagement	5
6. Procurement Method and Basis of Selection.....	6
7. Proposal Requirements.....	6
7.1 Letter of Transmittal.....	6
7.2 Firm Profile and Independence.....	6
7.3 Governmental Audit Experience	7
7.4 Engagement Team.....	7
7.5 Quality Control and Peer Review.....	7
7.6 Audit Approach and Work Plan.....	7
7.7 References.....	7
7.8 Fee Proposal (Separately Sealed).....	7
7.9 Required Certifications and Forms.....	7
8. Evaluation Criteria.....	8
9. Procurement Schedule.....	8
10. Submission Instructions	8
11. General Terms and Conditions.....	9
12. Inquiries and Point of Contact	10
Appendix A – Proposal Submission Checklist	11
Appendix B – Fee Proposal Form	12
Appendix C – References	13
Appendix D – Required Certifications.....	14

1. Introduction and Purpose

The Navarro Central Appraisal District (the “District” or “NCAD”) is requesting proposals from qualified, independent certified public accounting firms to perform an annual audit of the District’s financial statements and to provide related services as described in this Request for Proposals (the “RFP”).

The District is a political subdivision of the State of Texas established under Section 6.01 of the Texas Property Tax Code. It is governed by a Board of Directors (the “Board”), and the Chief Appraiser serves as the District’s chief administrator. The Board is statutorily responsible for engaging the District’s independent auditor, and the resulting engagement will be administered through the Chief Appraiser’s office.

The purpose of this RFP is to identify the most highly qualified firm to serve as the District’s independent auditor and to establish a multi-year professional relationship that delivers a high-quality, timely, and statutorily compliant audit at a fair and reasonable cost.

Selection method. *Auditing and accounting are “professional services” within the meaning of the Texas Professional Services Procurement Act, Chapter 2254 of the Texas Government Code. Accordingly, selection will be made on the basis of demonstrated competence and qualifications, and the fee will be negotiated to be fair and reasonable. This procurement is **not** a competitive bid, and an award will not be made on the basis of the lowest price.*

2. District Background and Profile

The following summary is provided to assist firms in understanding the scope and complexity of the engagement. Proposers are encouraged to request additional information, including prior audited financial reports, during the inquiry period described in Section 9.

Entity type: *Political subdivision of the State of Texas; county appraisal district (Tex. Tax Code § 6.01).*

Governing body: *Board of Directors; the Chief Appraiser is the chief administrator.*

Fiscal year: *January 1 – December 31.*

Annual operating budget: *Approximately \$2.5 million to \$2.6 million.*

Funding source: *Allocations from participating taxing units under Tex. Tax Code § 6.06.*

Fund structure: *Primarily a General Fund with a separate Payroll Fund.*

Basis of accounting/reporting: *Financial statements prepared in accordance with U.S. generally accepted accounting principles applicable to governmental entities, including applicable Governmental Accounting Standards Board (GASB) pronouncements and the GASB Statement No. 34 reporting model.*

Staff size: *Fewer than 20 employees; no internal information-technology or internal-audit department.*

Accounting system: QuickBooks Desktop Pro 2024 for Windows. Planned migration to QuickBooks Online in 2027. Payroll processed in-house.

Depository: Designated biennially under Tex. Tax Code § 6.09; investments governed by the Public Funds Investment Act (Tex. Gov't Code Ch. 2256).

Incumbent auditor: Frank Campos & Associates, Palestine, TX. Prior audit reports are available upon request.

3. Statutory Authority and Governing Standards

The engagement and the resulting audit must comply with all applicable legal requirements and professional standards, including, without limitation:

- **Texas Property Tax Code § 6.063 (Financial Audit)** – *at least once each year, the Board must have an audit of the District's affairs prepared by an independent certified public accountant or firm. The audit report is a public record; a copy must be delivered to the presiding officer of the governing body of each taxing unit eligible to vote on the appointment of District directors, and copies must be available for public inspection at the appraisal office.*
- **Texas Government Code Chapter 2254 (Professional Services Procurement Act)** – *governs the selection method for these services.*
- **U.S. generally accepted auditing standards (GAAS)** adopted by the American Institute of Certified Public Accountants (AICPA).
- **Government Auditing Standards (GAGAS / the "Yellow Book")** issued by the Comptroller General of the United States, including its independence requirements.
- **Applicable GASB pronouncements** and U.S. GAAP for governmental entities.
- **Licensing and regulation by the Texas State Board of Public Accountancy.**

Single Audit. *A federal Single Audit under 2 CFR Part 200, Subpart F, is excluded from the base scope of this engagement. If, in any covered fiscal year, the District expends federal awards at or above the applicable Single Audit threshold, the District reserves the right to add a Single Audit as an additional service, priced separately in accordance with the hourly rates and additional-services pricing provided in the proposer's fee proposal.*

4. Scope of Services

The selected firm (the "Auditor") shall perform the following services for each fiscal year covered by the engagement:

4.1 Annual Financial Statement Audit

- *Audit the District's basic financial statements (government-wide and fund financial statements) and the related notes, and express an opinion on whether they are fairly presented, in all material respects, in conformity with U.S. GAAP applicable to governmental entities.*

- *Conduct the audit in accordance with GAAS and Government Auditing Standards (GAGAS).*

4.2 Financial Report Preparation Assistance

- *Prepare, or assist District staff in preparing, the Annual Financial Report, including Management's Discussion and Analysis, the government-wide and fund statements, notes to the financial statements, required supplementary information, and budgetary comparison schedules, while observing applicable independence safeguards under GAGAS.*

4.3 Internal Control and Required Communications

- *Communicate, in a written management letter, any identified deficiencies, significant deficiencies, and material weaknesses in internal control over financial reporting (AU-C 265), together with practical recommendations for improvement.*
- *Provide all required communications to those charged with governance (AU-C 260), including significant findings, difficulties encountered, uncorrected and corrected misstatements, and disagreements, if any.*

4.4 Compliance Testing

- *Test compliance with applicable provisions of law, regulations, and District policy that have a direct and material effect on the financial statements, including compliance relevant to the Public Funds Investment Act and the District's budget adopted under Tex. Tax Code § 6.06.*

4.5 Deliverables and Reporting

- *Provide a draft report for review by management and the Board prior to issuance.*
- *Deliver six (6) bound copies and one electronic (searchable PDF) copy of the final audited report, and provide sufficient copies to satisfy the District's distribution obligations under Tex. Tax Code § 6.063.*
- *Present the audit results and management letter to the Board of Directors at a public meeting and respond to questions.*
- *Be reasonably available throughout the engagement period to consult with District staff on accounting and reporting matters within the scope of the engagement.*

5. Term of Engagement

The District intends to award an initial engagement covering three (3) consecutive fiscal years, beginning with the fiscal year ending December 31, 2026, with options to renew for up to two (2) additional one-year periods (a maximum potential term of five (5) years).

Each renewal is at the sole discretion of the Board and is contingent upon satisfactory performance, the continued availability of appropriated funds, and agreement on a fair and reasonable fee. To support auditor independence, the District encourages rotation of the engagement (lead) partner at appropriate intervals and may require it as a condition of renewal.

Nothing in this RFP obligates the District to continue the engagement beyond any fiscal year for which funds are appropriated, and the engagement may be terminated as provided in the resulting contract.

6. Procurement Method and Basis of Selection

*Consistent with Chapter 2254 of the Texas Government Code, the District will select the most highly qualified firm on the basis of demonstrated competence and qualifications and will then negotiate a contract at a fair and reasonable price. A contract for professional services awarded based on competitive bidding would be void as against public policy; accordingly, **price is considered only for fairness and reasonableness and is not the basis for award.***

The selection process will generally proceed as follows:

- 1. An evaluation committee will review and score all responsive proposals against the criteria in Section 8 and rank the firms.*
- 2. The District may, at its option, request interviews, presentations, or clarifications from one or more of the highest-ranked firms.*
- 3. The District will open the separately sealed fee proposal of the highest-ranked firm and attempt to negotiate a contract at a fair and reasonable price.*
- 4. If a satisfactory agreement cannot be reached, the District will formally end negotiations with that firm and begin negotiations with the next most highly qualified firm, continuing until a contract is executed.*
- 5. Final selection and contract award are subject to approval by the Board of Directors.*

7. Proposal Requirements

To be considered responsive, each proposal must address the following items, organized and labeled in the order shown. Concise, well-organized responses are preferred.

7.1 Letter of Transmittal

- A signed letter, on firm letterhead, identifying the firm, a primary contact, and the contact's telephone number and email address; affirming that the proposal remains valid for at least [90] days; and affirming the firm's ability to meet the engagement schedule.*

7.2 Firm Profile and Independence

- A description of the firm, including office location(s) serving the engagement, size, and structure.*
- Confirmation that the firm and assigned personnel are licensed to practice public accountancy in Texas and are members in good standing as applicable.*
- An affirmative statement that the firm is independent with respect to the District under GAAS and GAGAS, and disclosure of any relationships that could impair, or appear to impair, independence.*

7.3 Governmental Audit Experience

- *A description of the firm's experience auditing Texas governmental entities, with particular emphasis on appraisal districts, special districts, and other small local governments of comparable size and complexity.*
- *A representative list of comparable engagements within the past [five] years.*

7.4 Engagement Team

- *Identification of the engagement partner, manager, and key staff to be assigned, with resumes summarizing relevant governmental experience and continuing professional education in governmental accounting and auditing.*
- *The firm's policy regarding staff continuity and engagement-partner rotation.*

7.5 Quality Control and Peer Review

- *A copy of the firm's most recent external peer review report (which should reflect a rating of pass), and disclosure of any federal or state desk reviews, disciplinary actions, or pending litigation related to the firm's professional work within the past [three] years.*

7.6 Audit Approach and Work Plan

- *A description of the proposed audit approach and methodology, including the use of data analysis or audit technology tools.*
- *A proposed timeline and work plan, including the expected scheduling of interim and year-end fieldwork and the anticipated assistance to be provided by District staff.*
- *Identification of any anticipated problems and, if the firm is not the incumbent, a description of its transition plan.*

7.7 References

- *At least three (3) governmental client references, including entity name, a contact person, title, telephone number, email address, and the years of service provided.*

7.8 Fee Proposal (Separately Sealed)

- *A completed fee proposal using **Appendix B**, submitted in a **separate, sealed inner envelope** marked "Fee Proposal." The fee proposal must state an all-inclusive, not-to-exceed total fee for each fiscal year covered by the initial term, the basis for any out-of-pocket expenses, and standard hourly rates by staff level for additional services. The fee envelope will not be opened until after the qualifications-based ranking is complete.*

7.9 Required Certifications and Forms

- *Completed certifications and forms set out in **Appendix D**, and the submission checklist in **Appendix A**.*

8. Evaluation Criteria

Proposals will be evaluated and ranked on the basis of demonstrated competence and qualifications. The following criteria and relative weights will be used. Consistent with Chapter 2254, the fee factor reflects an assessment of fairness and reasonableness and is not a competitive-bid score.

Evaluation Criterion	Weight
<i>Firm qualifications and relevant governmental / appraisal district audit experience</i>	30
<i>Qualifications and experience of the assigned engagement team</i>	25
<i>Audit approach, work plan, and ability to meet the required schedule</i>	20
<i>Quality control, peer review results, and client references</i>	15
<i>Proposed fees – fairness and reasonableness</i>	10
Total	100

The District reserves the right to shortlist firms, conduct interviews, and adjust its evaluation approach as permitted by law.

9. Procurement Schedule

The following schedule is anticipated and may be modified by the District through a written addendum.

Event	Date
<i>RFP issued</i>	09/28/2026
<i>Deadline for written questions/inquiries</i>	10/30/2026
<i>District responses/addenda posted</i>	10/23/2026
<i>Proposals due</i>	11/06/2026, 4:30 p.m. CT
<i>Evaluation and any interviews</i>	11/09/2026 – 11/10/2026
<i>Anticipated Board selection (public meeting)</i>	11/17/2026
<i>Contract negotiation and execution</i>	11/17/2026
<i>Engagement / first-year fieldwork begins</i>	01/01/2027

10. Submission Instructions

- **What to submit:** One (1) clearly marked original, six (6) paper copies, and one (1) electronic (PDF) copy of the qualifications proposal, plus the fee proposal in a separate sealed inner envelope as described in Section 7.8.

- **Packaging and labeling:** *Enclose all materials in a sealed outer package marked: “RFP No. NCAD-2027-AUDIT-01 – Independent Financial Audit Services – DO NOT OPEN.” Include the firm’s name and return address.*
- **Delivery to:** *Navarro Central Appraisal District, Attn: Chief Appraiser, 1250 N 45th St, Corsicana, Texas 75110.*
- **Deadline:** *Proposals must be physically received at the above address no later than 11/06/2026 at 4:30 p.m. Central Time. Late proposals will not be considered and will be returned unopened. The District is not responsible for delivery delays.*
- **No public bid opening:** *Because this is a qualifications-based selection rather than a competitive bid, no public reading of fees will occur. Submitted proposals are subject to disclosure as described in Section 11.*

11. General Terms and Conditions

- **Reservation of rights.** *The District reserves the right to accept or reject any or all proposals, to waive minor informalities and irregularities, to request clarifications, to negotiate with one or more firms, and to cancel or reissue this RFP, in each case as permitted by law and as it determines to be in the District’s best interest.*
- **Proposal costs.** *All costs incurred in preparing and submitting a proposal are the sole responsibility of the proposer.*
- **Public information.** *Proposals and related materials are subject to the Texas Public Information Act (Tex. Gov’t Code Ch. 552). Material the proposer believes to be confidential or proprietary should be clearly marked; however, marking does not guarantee confidentiality, which is determined under applicable law.*
- **Independence and conflicts of interest.** *The firm must maintain independence under GAAS and GAGAS throughout the engagement. Proposers are subject to the conflict-of-interest disclosure requirements of Chapter 176 of the Texas Local Government Code, including the Conflict of Interest Questionnaire (Form CIQ), where applicable.*
- **Insurance.** *The selected firm must maintain professional liability (errors and omissions), commercial general liability, and workers’ compensation coverage in amounts acceptable to the District. It must provide certificates of insurance upon request.*
- **Indemnification.** *The resulting contract will include indemnification provisions to the extent permitted by Texas law.*
- **Required Texas certifications.** *The selected firm will be required to provide certifications applicable to Texas governmental contracts, which may include verifications under Tex. Gov’t Code Ch. 2271 (no boycott of Israel) and Ch. 2274 (no discrimination against firearm or energy companies), as well as debarment/suspension and non-collusion certifications. Applicability depends on contract value and firm size; the District and its legal counsel will confirm final requirements. See Appendix D.*
- **Compliance with law; equal opportunity.** *The firm must comply with all applicable federal, state, and local laws and must not discriminate on any basis prohibited by law.*

- **Governing law and venue.** *This RFP and any resulting contract are governed by Texas law, with venue in Navarro County, Texas.*
- **Contract form and appropriation.** *The engagement will be documented by an engagement letter and/or a District contract. Any multi-year commitment is subject to annual appropriation, and the District may terminate as provided in the contract.*

12. Inquiries and Point of Contact

All questions and communications regarding this RFP must be submitted in writing to the designated contact below. To ensure fairness, proposers should not contact other District staff or Board members regarding this RFP during the procurement. Material responses will be shared with all known proposers by written addendum.

Point of contact: *Bud Black, Chief Appraiser*

Email: *chief@navarrocad.com* **Phone:** (903) 872-6161

Written questions due: *10/30/2026*

Appendix A – Proposal Submission Checklist

Use this checklist to confirm your proposal is complete. Include the completed checklist with your submission.

- ☐ *Signed letter of transmittal (Section 7.1)*
- ☐ *Firm profile and independence statement (Section 7.2)*
- ☐ *Governmental / appraisal district audit experience (Section 7.3)*
- ☐ *Engagement team resumes and continuity/rotation policy (Section 7.4)*
- ☐ *Most recent peer review report and disclosures (Section 7.5)*
- ☐ *Audit approach, work plan, and timeline (Section 7.6)*
- ☐ *At least three governmental references (Section 7.7)*
- ☐ *Fee proposal in a separate sealed inner envelope – Appendix B (Section 7.8)*
- ☐ *Completed certifications – Appendix D (Section 7.9)*
- ☐ *Required number of copies and electronic PDF (Section 10)*

Appendix B – Fee Proposal Form

Submit this form in a separate, sealed inner envelope marked "Fee Proposal." State an all-inclusive, not-to-exceed fee for each fiscal year of the initial three-year term.

Service / Fiscal Year	All-Inclusive Not-to-Exceed Fee
Annual financial audit – FY ending 12/31/2026	\$
Annual financial audit – FY ending 12/31/2027	\$
Annual financial audit – FY ending 12/31/2028	\$
Optional renewal year 1 (FY [12/31/2029])	\$
Optional renewal year 2 (FY [12/31/2030])	\$

Additional services (e.g., Single Audit, special projects) will be billed at the following standard hourly rates:

Staff Level	Hourly Rate
Partner	\$
Manager	\$
Senior / Supervisor	\$
Staff	\$

Basis for out-of-pocket / expense reimbursement, if any: _____

Authorized signature: _____ Title: _____

Date: _____

Appendix C – References

Provide at least three governmental client references.

Reference 1

Entity name: _____

Contact name/title: _____

Phone: _____ *Email:* _____

Services provided and years: _____

Reference 2

Entity name: _____

Contact name/title: _____

Phone: _____ *Email:* _____

Services provided and years: _____

Reference 3

Entity name: _____

Contact name/title: _____

Phone: _____ *Email:* _____

Services provided and years: _____

Appendix D – Required Certifications

The proposer, by signature below, certifies as follows. The District and its legal counsel will confirm which certifications apply based on final contract value and firm size.

- Non-collusion: This proposal was prepared independently and without collusion with any other proposer.*
- Independence: The firm is independent of the District under GAAS and Government Auditing Standards.*
- Debarment/suspension: The firm and its principals are not debarred, suspended, or otherwise excluded from participation in federal, state, or local programs.*
- Tex. Gov't Code Ch. 2271: If applicable, the firm verifies that it does not, and will not during the contract term, boycott Israel.*
- Tex. Gov't Code Ch. 2274: If applicable, the firm verifies that it does not have a practice, policy, or guidance that discriminates against a firearm entity or energy company, and will not during the contract term.*
- Conflict of interest: The firm has reviewed Chapter 176 of the Texas Local Government Code and will file a Conflict of Interest Questionnaire (Form CIQ) if and as required.*

Authorized signature: _____ Title: _____

Date: _____

Firm name: _____