



MEMORANDUM

To: Audit and Finance

From: Adrian Lopez, CEO

Presented By: Kristen Rodriguez, Director Procurement and Contracts Management

Date: July 02, 2025

Subject: Discussion and Possible Action: Financial Audit Services Contract

Summary: The Workforce Solutions Alamo (WSA) - Board of Directors is presented with a proposal to award a contract to ABIP, PC for Financial Audit Services in the estimated aggregate amount of \$410,544 over a five (5) year span. The contract term will be effective October 1, 2025, through September 31, 2026, with the option to renew for up to four (4) one-year periods upon written mutual consent of Workforce Solutions Alamo and the selected Contractor.

This action aligns with Supporting Texas Talent and Economic Growth - Goal 2, Service Optimizers, in our strategic plan.

Analysis: A Request for Proposals (RFP) for Financial Audit Services was published on WSA's Procurement Portal and the Texas Electronic State Business Daily (ESBD) on March 18, 2025, with a submission deadline of May 19, 2025. The selected provider will assist WSA in delivering comprehensive audit services, which will be carried out in four phases.

Phase 1: Planning and Risk Assessment- This initial phase is essential to ensure a high-quality and efficient audit, with minimal disruption to operations. Activities will include reviewing internal controls, organizational structure, and financial reporting processes. The team will also assess potential risks, materiality, and fraud considerations, and identify federal and state programs subject to Single Audit requirements. The planning phase will conclude with a tailored audit strategy and an entrance conference with executive leadership to confirm audit scope, timing, and deliverables.

Phase 2: Audit Fieldwork- This phase involves executing the audit plan through detailed testing of financial transactions and processes. The audit team will examine whether financial data is accurate,

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complete, and properly reported by applying procedures such as transaction sampling, policy reviews, observations, and compliance testing.

Phase 3: Audit Conclusion- focuses on final reviews and summarizing audit findings. The auditors will finalize analytical reviews and complete all audit documentation, including property tax exemption forms and internal checklists.

Phase 4: Audit Finalization- this phase, the audit team will review and finalize the audited financial statements and supporting documents, hold an exit conference with management and board representatives, and present the final audit reports. The team will also submit IRS Form 990 and upload the reporting package to the Federal Audit Clearinghouse.

By the deadline, WSA received seven (7) proposals, which were then evaluated by internal assessors in accordance with the RFP's specifications and requirements; one proposal was eliminated due to unresponsiveness.

Alternatives: Any alternative to not approving the recommendation for financial audit services may result in significant operational and compliance risks for WSA. Timely completion of the annual financial and single audit is required to meet federal and state grant obligations, including those set by the Texas Workforce Commission and the Uniform Guidance for federal awards. Delays in securing an audit provider could lead to missed reporting deadlines, potential funding interruptions, reputational damage, and findings of noncompliance. In addition, postponing approval may limit the availability of qualified auditors and increase overall costs due to compressed timelines

Fiscal Impact: The contract will begin with an initial one-year term, effective October 1, 2025, through September 30, 2026, and may be extended for up to four (4) additional one-year periods, subject to mutual written agreement by both parties. The total projected expenditure over the potential five-year term is \$410,544, unless modified by a formally executed amendment approved by all parties.

Below is the breakdown of the anticipated costs for the term of the contract:



These amounts are based on the three major federal/ state programs.

****If additional programs are selected for auditing, additional fees may be incurred.**

Recommendation: Staff recommend that the Board of Directors approve the award of the contract for Financial Audit Services to ABIP, PC., as identified through the competitive Request for Proposals (RFP) process. The contract will be effective October 1, 2025, through September 30, 2026, with the option to renew for up to four (4) additional one-year periods upon mutual agreement. The estimated total expenditure over the potential five-year term is \$410,544. Approval of this recommendation will ensure continued compliance with federal and state audit requirements, maintain timely financial reporting, and support transparency and accountability in WSA's financial operations.

Next Steps: Once this action is approved, WSA Procurement and Contract Management (PCM), in collaboration with the WSA Fiscal Team, will begin negotiations and oversee the execution of contracts for Financial Audit Services.

Attachments: RFP 2025-021 Financial Audit Services

Item	Oct 25' - Sept 26'	Oct 26' - Sept 27'	Oct 27' – Sept 28'	Oct 28' – Sept 29'	Oct 29' – Sept 30'	**Contingency 10%	Contract Total
Estimated Annual Contract Amount	\$69,125	\$71,825	\$74,525	\$77,387	\$80,360	\$37,322	\$410,544

Bid Tabulation



	Total	A - QUALITY & EXPERIENCE	B - EXTENT TO WHICH THE VENDORS GOOD AND SERVICES MEET THE NEEDS OF THE ORGANIZATION	C - HUB/PRICE
Supplier	/ 100 pts	/ 30 pts	/ 45 pts	/ 25 pts
ABIP, PC	86.33	27.33	39	20
Garza/Gonzalez & Associates	83.95	25.33	35	23.61
Martinez, Rosario, & Company, LLP	80.44	26	36	18.44
Whitley Penn, LLP	79.43	22	33	24.43
Crowe LLP	72.99	24.67	33	15.32
Weaver and Tidwell, L.L.P.	72.4	21.33	33	18.06