

Professional Auditing Services Agreement

THIS AGREEMENT entered into this ____ day of _____, 2017, by and between the **BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, a political subdivision of the State of Florida**, hereinafter referred to as the “County”, and **CARR, RIGGS & INGRAM, LLC** hereinafter referred to as the “Auditor”.

WHEREAS, the County and the Auditor desire to enter into this Agreement in order to provide for the terms of the engagement by which the Auditor will perform the financial auditing services.

NOW, THEREFORE, FOR and IN CONSIDERATION of the mutually agreed upon consideration, the parties agree as follows:

1. General and Specific Conditions in RFP.

The General Conditions and Specific Conditions set forth in the attached Request for Proposals (RFP), and Auditor’s Response to the RFP and Audit Engagement Letter are incorporated by reference herein and made a part hereof. If there is any conflict between the Audit Engagement letter, the RFP, and this Agreement, the Audit Committee shall resolve such conflict.

2. General Information and Minimum Insurance Requirements.

The Contractor shall indemnify and hold harmless the County and its agents and employees from and against all claims, damages, losses and expenses, including attorney’s fees, arising out of or resulting from the performance of this contract, provided that any such claims, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to loss to or destruction of tangible property, including loss of use resulting therefrom; and is caused in whole or in part by any negligent or willful act or omission of the Contractor and/or Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

In any and all claims against the County or any of its agents or employees, by any employee of the Contractor, any Subcontractor, anyone directly or indirectly employed by

any of them or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any Subcontractor under Workers' Compensation acts, disability benefit acts, or other employee benefits act.

The contractor shall, on a primary basis, and at its sole expense, agree to maintain in full force and effect at all times during the life of this contract, insurance coverage's, limits, including endorsements, as described herein. The requirements contained herein, as well as the County's review or acceptance of insurance maintained by the Contractor is not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Contractor under the Contract.

COMMERCIAL GENERAL LIABILITY INSURANCE

The Contractor/Vendor shall purchase and maintain at the Contractor/Vendor's expense Commercial General Liability insurance coverage (ISO or comparable Occurrence Form) for the life of this Contract. Modified Occurrence or Claims Made forms are not acceptable.

The Limits of this insurance shall not be less than the following limits:

Each Occurrence Limit	\$1,000,000
Personal & Advertising Injury Limit	\$1,000,000
Fire Damage Limit (any one fire)	\$ 300,000
Medical Expense Limit (any one person)	\$ 10,000
Products & Completed Operations Aggregate Limit	\$2,000,000
General Aggregate Limit (other than Products & Completed Operations) Applies Per Project	\$2,000,000

General liability coverage shall continue to apply to "bodily injury" and to "property damage" occurring after all work on the Site of the covered operations to be performed by or on behalf of the additional insureds has been completed and shall continue after that portion of "your work" out of which the injury or damage arises has been put to its intended use.

WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE

The Contractor/Vendor shall purchase and maintain at the Contractor/Vendor's expense Workers' Compensation and Employer's Liability insurance coverage for the

life of this Contract.

The Limits of this insurance shall not be less than the following limits:

Part One – Workers’ Compensation Insurance – Unlimited

Statutory Benefits as provided in the Florida Statutes and

Part Two – Employer’s Liability Insurance

Bodily Injury By Accident \$500,000 Each Accident

Bodily Injury By Disease \$500,000 Policy Limit

Bodily Injury By Disease \$500,000 Each Employee

*If leased employees are used, policy must include an Alternate Employer’s Endorsement

AUTOMOBILE LIABILITY INSURANCE

The Contractor/Vendor shall purchase and maintain at the Contractor/Vendor’s expense Automobile Liability insurance coverage for the life of this Contract.

The Limits of this insurance shall not be less than the following limits:

Combined Single Limit – Each Accident \$1,000,000

Covered Automobiles shall include any auto owned or operated by the insured Contractor/Vendor, insured Sub-Contractor/Vendor including autos which are leased, hired, rented or borrowed, including autos owned by their employees which are used in connection with the business of the respective Contractor/Vendor or Sub-Contractor/Vendor.

PROFESSIONAL LIABILITY (ERRORS & OMISSIONS)

This additional coverage will be required for all projects involving consultants, engineering services, architectural or design/build projects, independent testing firms and similar exposures.

The Contractor/Vendor shall purchase and maintain at the Contractor/Vendor’s expense Professional Liability insurance coverage for the life of this Contract.

If the contract includes a requirement for Professional Liability or Errors and Omissions insurance, the minimum amount of such insurance shall be as follows:

Each Occurrence/Annual Aggregate \$2,000,000

Project Specific

Design Professional Liability coverage will be provided on an Occurrence Form or

a Claims Made Form with a retroactive date to at least the first date of this Agreement. If provided on a Claims Made Form, the coverages must respond to all claims reported within three years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis.

Contractor/Vendor shall require each of his Sub-Contractor/Vendors to likewise purchase and maintain at their expense Commercial General Liability insurance, Workers' Compensation and Employer's Liability coverage, Automobile Liability insurance and Excess Liability insurance coverage meeting the same limit and requirements as the Contractor/Vendors insurance.

Certificates of Insurance acceptable to Nassau County Board of County Commissioners for the Contractor/Vendor's insurance must be received within ten (10) days of Notification of Selection and at time of signing Agreement.

Certificates of Insurance and the insurance policies required for this Agreement shall contain an endorsement that coverage afforded under the policies will not be cancelled or allowed to expire until at least thirty (30) days prior written notice has been given to Nassau County Board of County Commissioners.

Certificates of Insurance and the insurance policies required for this Agreement will include a provision that policies, except Workers' Compensation, are primary and noncontributory to any insurance maintained by the Contractor/Vendor.

Nassau County Board of County Commissioners must be named as an Additional Insured and endorsed onto the Commercial General Liability (CGL), Auto Liability and Excess Liability policy (ies). A copy of the endorsement(s) must be supplied to Nassau County Board of County Commissioners ten (10) days following the execution of the agreement or prior to the first date of services, whichever comes first.

CGL policy Additional Insured Endorsement must include Ongoing and Completed Operations (Form CG2010 11 84 OR Form CG2010 04 13 and GC2037 04 13 edition or equivalent). Other Additional Insured forms might be acceptable but only if modified to delete the word "ongoing" and insert the sentence "Operations include ongoing and completed operations".

CGL policy shall not be endorsed with Exclusion - Damage to Work performed by SubContractor/Vendors on Your Behalf (CG2294 or CG2295)

CGL policy shall not be endorsed with Contractual Liability Limitation Endorsement (CG2139) or Amendment of Insured Contract Definition (CG 2426) CGL policy shall include broad form contractual liability coverage for the Contractor/Vendors covenants to and indemnification of the Authority under this Contract.

Certificates of Insurance and the insurance policies required for this Agreement shall contain a provision under General Liability, Auto Liability and Workers' Compensation to include a Waiver of Subrogation clause in favor of Nassau County Board of County Commissioners.

All Certificates of Insurance shall be dated and shall show the name of the insured Contractor/Vendor, the specific job by name and job number, the name of the insurer, the policy number assigned its effective date and its termination date and a list of any exclusionary endorsements.

All Insurers must be authorized to transact insurance business in the State of Florida as provided by Florida Statute 624.09(1) and the most recent Rating Classification/Financial Category of the insurer as published in the latest edition of "Best's Key Rating Guide" (Property-Casualty) must be at least A- or above.

All of the above referenced Insurance coverage is required to remain in force for the duration of this Agreement and for the duration of the warranty period. Accordingly, at the time of submission of final application for payment, Contractor/Vendor shall submit an additional Certificate of Insurance evidencing continuation of such coverage.

If the Contractor/Vendor fails to procure, maintain or pay for the required insurance, Nassau County Board of County Commissioners shall have the right (but not the obligation) to secure same in the name of and for the account of Contractor/Vendor, in which event, Contractor/Vendor shall pay the cost thereof and shall furnish upon demand, all information that may be required to procure such insurance. Nassau County Board of County Commissioners shall have the right to back-charge Contractor/Vendor for the cost of procuring such insurance. The failure of Nassau County Board of County Commissioners to demand certificates of insurance and endorsements evidencing the required insurance or to identify any deficiency in Contractor/Vendors coverage based on the evidence of insurance provided by the Contractor/Vendor shall not be construed

as a waiver by Nassau County Board of County Commissioners of Contractor/Vendor's obligation to procure, maintain and pay for required insurance.

The insurance requirements set forth herein shall in no way limit Contractor/Vendors liability arising out of the work performed under the Agreement or related activities. The inclusions, coverage and limits set forth herein are minimum inclusion, coverage and limits. The required minimum policy limits set forth shall not be construed as a limitation of Contractor/Vendor's right under any policy with higher limits, and no policy maintained by the Contractor/Vendor shall be construed as limiting the type, quality or quantity of insurance coverage that Contractor/Vendor should maintain. Contractor/Vendor shall be responsible for determining appropriate inclusions, coverage and limits, which may be in excess of the minimum requirements set forth herein.

If the insurance of any Contractor/Vendor or any Sub-Contractor/Vendor contains deductible(s), penalty(ies) or self-insured retention(s), the Contractor/Vendor or Sub-Contractor/Vendor whose insurance contains such provision(s) shall be solely responsible for payment of such deductible(s), penalty(ies) or self-insured retention(s).

The failure of Contractor/Vendor to fully and strictly comply at all times with the insurance requirements set forth herein shall be deemed a material breach of the Agreement.

3. Term.

This Agreement shall be for a period of three (3) years with an option for two (2) one (1) year renewals, subject to the satisfactory negotiation of terms (including a cost acceptable to both the County and the Auditor) and the annual appropriation.

4. Time requirements for Services.

a. The list of reports to be prepared by Finance for the Preliminary Field Work will be submitted by the Auditor at least two weeks prior to the Commencement of Preliminary Field Work.

b. Preliminary Field Work may commence on or before July 1 of each year. An exception to this requirement will be made in the first year of the contract. The Preliminary Field Work will be completed by August 31st each year, unless a later date is specifically requested and agreed upon.

c. The list of reports to be prepared by Finance for the Final Field Work will

be submitted on or before September 30.

d. Final Field Work for the Board of County Commissioners will begin on or around December 1 and end on or before December 31 each year. Final Fieldwork for Constitutional Officers will be conducted in November and December of each year and will end on or before December 31 each year. Additional questions, clarifications or requests may be raised by the Auditor after this date; however, these should be minimized to the extent possible and should not require significant, additional on-site Field Work.

e. Audit Adjustments and Review will be completed on or before January 31 each year.

f. Preliminary Board financial statements and County-wide Financial Statements with all necessary individual, combining, and combined statements and schedules needed to meet the requirements of the *Comprehensive Annual Financial Report* shall be delivered to the County by February 25th of each year. The County understands that in order to meet this deadline, the books of the County will need to be closed, in good order, and ready for audit by December 1st of each year.

g. Final Financial Statements with all necessary individual, combining, and combined statements and schedules needed to meet the requirements of the *Comprehensive Annual Financial Report* shall be delivered to the County by the Board's Day meeting in March each year.

h. The combined audit reports of the County-wide financial statements and the individual audit reports of the County and the Constitutional Officers required by the Florida Auditor General shall be delivered to the County by March 30th of each year.

5. Assistance to Be Provided to the Auditor and Report Preparation.

a. The Board of County Commissioners' staff and Constitutional Officers' staff and responsible management personnel will be available during the audit to assist the Auditor by providing certain audit schedules, information, documentation, and explanations. The County will provide the Auditor with reasonable workspace, desks, and chairs.

b. Report Preparation. All reports shall be the responsibility of the Auditor (prepare, assemble, type, print, and bind). These shall include, but not be limited to, the following:

i. Financial Statements with all necessary individual, combining, and combined statements and schedules needed to meet the requirements of the *Comprehensive Annual Financial Report* (“CAFR”) Certificate of Achievement for Excellence in Financial Reporting Program. The County intends to utilize an outside printer for actual production of the CAFR, all other reports referenced will be produced by the Auditor. The completed CAFR will be assembled by the Auditor and emailed to the Clerk’s Office in an electronic printable “pdf” format for submission to the printer on or before March 14th of each year.

ii. Combined and individual financial statements audit reports for the Board of County Commissioners, Clerk of the Circuit Court, Supervisor of Elections, Sheriff, Tax Collector, and Property Appraiser.

iii. Countywide Annual Financial Report of Units of Local Government.

6. Auditor Independence.

The Auditor affirms that it is independent of Nassau County, as defined by generally accepted auditing standards and the United States General Accounting Office’s *Government Auditing Standards*). The Auditor shall give the County written notice of any professional relationships involving the County or any of its agencies entered into during the period of the Agreement.

7. Additional Responsibilities.

As discussed in the Audit Engagement Letter (Audit Procedures-General), Auditor is responsible for planning and performing the audit to obtain reasonable assurance that material misstatements caused by fraud or error are detected. Auditor is not responsible for detecting immaterial misstatements caused by fraud or error.

8. Planning.

There shall be a planning stage, and said planning stage will involve meetings with the Auditor and the County Manager (or designee) and the Clerk, or his designee, to set forth time frames and schedules for conferences during the audit and the exit conference. The requirements in the RFP as to reports to the Audit Committee are in addition to the

conferences and exit conference referenced herein.

9. Invoices.

Invoices shall be submitted simultaneously by the Auditor to the Clerk's office, attention Clerk Deputy of Financial Services or her designee, and to the Office of Management and Budget. Said invoices shall contain such detail as required by the Clerk and the Office of Management and Budget to determine the percentage of completion in hours. A meeting shall occur prior to any work commencing to address the documentation to be required by the Clerk and the Office of Management and Budget as to invoices. The meeting shall be with the Auditor, the Clerk or his designee, the County Manager or his/her designee, and the Office of Management and Budget.

10. Compensation.

The fee for audit services shall not exceed \$175,000.00 for the 2017 audit, \$175,000.00 for the 2018 audit and \$175,000.00 for the 2019 audit for the audits of the Board of County Commissioners, Clerk of the Circuit Court, Supervisor of Elections, Sheriff, Tax Collector, and Property Appraiser.

11. Other Services/Specifications.

Any additional work approved by the Board of County Commissioners and the Clerk will be billed separately based upon the Auditor's quoted hourly rates.

12. Manner of Payment.

The Board of County Commissioners shall make progress payments to the Auditor on the basis of work completed and recommended by the Clerk of the Courts, Office of Management and Budget, and the County Manager or his/her designee. Progress payment requests shall be submitted in sufficient detail to the Clerk to demonstrate compliance with the Agreement.

13. Termination.

This Agreement shall continue and remain in full force and effect as to all its terms, conditions, and provisions as set forth herein. If either party is in default under the provisions of this Agreement, the non-defaulting party may terminate this Agreement by first giving written notice of the default and giving time, not exceed thirty (30) days, within which to correct the default. If the default is not corrected within that time period,

the non-defaulting party may terminate this Agreement by written notice.

14. Termination without Cause.

The Board of County Commissioners may terminate this Agreement upon thirty (30) days written notice. If the Agreement is terminated under this provision, the County shall be responsible for all audit costs and fees incurred by the Auditor prior to termination.

15. Miscellaneous.

a. The County and the Auditor each bind the other and their respective successors and assigns in all respects to all of the terms, conditions, covenants, and provisions of this Agreement. Nothing herein shall be construed as creating any personal liability on the part of any officer, employee, or agent of the County or the Constitutional Officers, nor shall it be construed as giving any right or benefit hereunder to anyone other than the County, Constitutional Officers, or Auditor.

b. If unusual circumstances are encountered making it necessary, in an opinion of the Auditor, for the Auditor to do additional work, the Auditor shall immediately report such conditions to the County Manager and the Clerk of the Court, the Clerk, and County Manager shall meet with the Auditor to address the unusual circumstances. The County Manager and Clerk may recommend to the Board of County Commissioners a contract amendment, based on the unusual circumstances. The amendment may include a request for additional compensation, if any to be determined by the Board of County Commissioners. Periodic progress billings shall be submitted as the work progresses, but not more often than two (2) times a month.

c. This Agreement may be amended by mutual written agreement of the parties hereto. Further, this Agreement, Scope of Services, Time of Completion, and other material terms and conditions may be changed only by written amendment.

d. In the performance of this Agreement, the Auditor will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venture, or associate of the County or the Constitutional Officers. The Auditor shall be solely responsible for the means, method, technique, sequences, and procedures utilized by the Auditor in the full performance of this Agreement.

e. This Agreement may be renewed for an additional two (2) year period, subject to satisfactory negotiation of terms and subject to satisfactory negotiation of terms (including a cost acceptable to both the County and the auditor) and subject to appropriation.

16. Public Records

The County is a public agency subject to Chapter 119, Florida Statutes. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (904) 530-6250, DMOODY@NASSAUCOUNTYFL.COM, 96161 NASSAU PLACE, YULEE, FLORIDA 32097. Under this agreement, to the extent that the contractor/vendor/consultant is providing services to the County, and pursuant to section 119.0701, Florida Statutes, the contractor/vendor/consultant shall:

- a. Keep and maintain public records required by the public agency to perform the service.
- b. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the public agency.
- d. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt

from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

If a contractor/vendor/consultant does not comply with a public records request, the County shall enforce the contract provisions in accordance with the contract.

17. Entire Agreement.

This Agreement represents the entire understanding and agreement between the County and the Auditor with respect to the subject matter hereof.

18. Effective Date.

This Agreement shall be deemed effective as of the date and year first above-written. Time is of the essence.

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA

DANIEL B. LEEPER
Its: Chairman

ATTEST:

JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney

MICHAEL S. MULLIN

Carr, Riggs & Ingram, LLC

By: _____

Print Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

Before me personally appeared, _____, who is personally known ____ or produced _____ as identification, known to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that he/she executed said instrument for the purposes therein expressed.

WITNESS my hand and official seal, this ____ day of _____, 20__.

Notary Signature

Notary-Public-State of _____ at large

My Commission expires: