



**BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA**

RESOLUTION NUMBER 100-2020

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA APPROVES THE FIRST OF FOUR (ONE YEAR) RENEWAL OPTIONS OF RFP NO. 2017-173: INDEPENDENT AUDITING SERVICES TO MSL CPA'S AND ADVISORS OF ORLANDO, FLORIDA; THROUGH SEPTEMBER 24, 2021, PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

* * * * *

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart, Florida hereby approves the first of four (1 year) renewal periods of RFP# 2017-173: Independent Auditing Services with MSL CPA's and Advisors of Orlando, Florida for the renewal period effective September 25, 2020 through September 24, 2021.

SECTION 2: This resolution shall take effect upon adoption.

Resolution No. 100-2020

Approve renewal of RFP #2017-173, Independent Auditing Services

Commissioner CLARKE offered the foregoing resolution and moved its adoption.

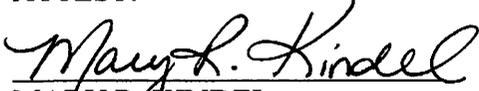
The motion was seconded by Commissioner MATHESON and upon being put to a roll call vote, the vote was as follows:

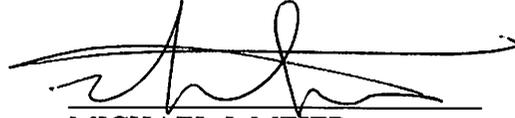
MICHAEL J. MEIER, MAYOR
EULA R. CLARKE, VICE MAYOR
BECKY BRUNER, COMMISSIONER
MERRITT MATHESON, COMMISSIONER
TROY MCDONALD, COMMISSIONER

YES	NO	ABSENT	ABSTAIN
Y			
Y			
Y			
Y			
Y			

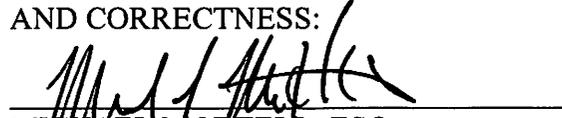
ADOPTED this 24th, day of August, 2020.

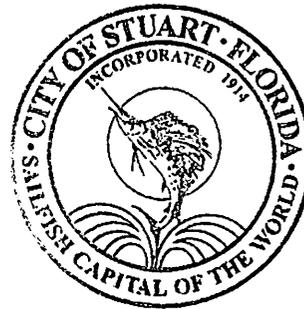
ATTEST:


MARY R. KINDEL
CITY CLERK


MICHAEL J. MEIER
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:


MICHAEL MORTELL, ESQ.
CITY ATTORNEY





Procurement & Contracting Services
121 SW Flagler Ave. Stuart Fl. 34994
Phone: 772.288.5306

July 29, 2020

MSL CPA's & Advisors
Attn: Ms. Lina Mejia
255 S. Orange Avenue, Suite 600
Orlando, Florida

Subject: Renewal for RFP# 2017-173, Independent Auditing Services

Dear Ms. Mejia,

This is official notification to your firm that the City of Stuart wishes to extend your current contract for Independent Auditing Services, for the period beginning September 25, 2020 and ending on September 24, 2021, which represents the first of four (one year) renewal options. This extension is granted under the same terms, conditions, and pricing as the original contract.

Please complete the bottom portion of this letter. Your response must be received **no later than 4:00 p.m., August 5, 2020**. You may fax your response to (772) 600-0134 or send by email to purchasing@ci.stuart.fl.us. Thank you for your cooperation and immediate attention to this matter. Please contact me at (772) 288-5320, if you should have any questions.

Best Regards,

Alaina Knofla
Procurement Specialist

cc: Financial Services Staff
RFP# 2017-173 File

I hereby attest, by signature, to Florida Statutes (F.S.) 287.135-Scrutinized Companies that Boycott Israel list, F.S. 215.4725-Engaging in commerce with Cuba or Syria, and F.S. 215.473-Scrutinized Companies with activities in the Iran Petroleum Energy Sector List; and agree to the contract renewal as specified of the subject Agreement.

I am unable to agree to the contract renewal as specified of the subject Agreement

William Blend Digitally signed by William Blend
Date: 2020.07.29 15:26:26
-04'00'

(Signature)

7/29/20

Date

William Blend

Printed Name

Shareholder

Title



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Department of Financial Services
Procurement & Contracting Services Division

Lenora Darden, CPPB
Procurement Manager
purchasing@ci.stuart.fl.us

Telephone (772) 288-5308
Fax: (772) 600-0134
www.cityofstuart.us

September 27, 2017

Via: Email transmission: wblend@mslcpa.com
jknopp@mslcpa.com

Moore Stephens Lovelace, P.A.
Attn: Mr. William Blend, CPA, CFE Shareholder
255 S. Orange Avenue, Suite 600
Orlando, FL 32801

Subject: Notice of Award
RFP #2017-173: Independent Auditing Services

Dear Mr. Blend,

The Stuart City Commission awarded RFP# 2017-173, Independent Auditing Services to your firm on Monday, September 25, 2017. Please consider this your formal notice of award. The City of Stuart requests that you provide all necessary insurance requirements by October 6, 2017, as listed below:

A "Certificate of Insurance" which reflects all types and levels of coverage as noted in the Request for Proposal. The insurance certificate must also have printed in the "Remarks" box, words to the effect: **"The City of Stuart is an additional insured"**. The City requests that the insurance certificate lists the **project number and the project name**, 2017-173: Independent Auditing Services.

The initial contract period will be three years, effective September 25, 2017 through September 24, 2020, with four (one-year) renewal options. The City reserves the right to exercise the option to renew annually, if mutually agreed upon in writing by both parties subject to the same terms and conditions of the original agreement. Annual renewals shall be subject to vendor's satisfactory performance and determination that the contract renewal is in the best interest of the City.

The City of Stuart looks forward to a mutually beneficial business relationship. If you have any questions, please feel free to contact me by email at purchasing@ci.stuart.fl.us or call me at (772) 288-5308.

Sincerely yours,

Lenora Darden
Procurement Manager

c: Public Works Staff
RFP 2017-173 Official File



BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 117-2017

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA TO APPROVE THE AWARD OF RFP #2017-173, INDEPENDENT AUDITING SERVICES TO THE TOP RANKED FIRM, MOORE STEPHENS LOVELACE, P.A OF ORLANDO, FLORIDA, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart hereby approves the award of RFP #2017-173, Independent Auditing Services and authorizes execution of the agreement, subsequent to review and approval by the City Attorney with the top ranked firm Moore Stephens Lovelace, P.A. of Orlando, Florida.

SECTION 2: This resolution shall take effect upon adoption.

Resolution No. 117-2017
Award of RFP #2017-173, Independent Auditing Services

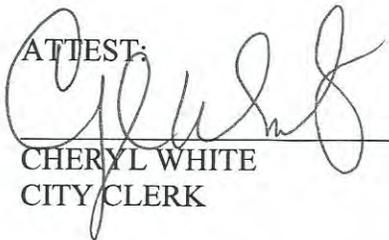
Commissioner CAMPENNI offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner GLASS LEIGHTON and upon being put to a roll call vote, the vote was as follows:

TROY A. MCDONALD, MAYOR
KELLI GLASS LEIGHTON, VICE MAYOR
BECKY BRUNER, COMMISSIONER
EULA R. CLARKE, COMMISSIONER
TOM CAMPENNI, COMMISSIONER

YES	NO	ABSENT	ABSTAIN
X			
X			
X			
X			
X			

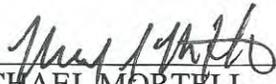
ADOPTED this 25th day of September, 2017.

ATTEST:


CHERYL WHITE
CITY CLERK


TROY A. MCDONALD
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:


MICHAEL MORRELL
CITY ATTORNEY





CONTRACTOR: MOORE STEPHENS LOVELACE, P.A.
255 S. ORANGE AVENUE, SUITE 600
ORLANDO, FL 32801

PROJECT: RFP #2017-173: INDEPENDENT AUDITING SERVICES

CONTRACT FOR SERVICES

THIS CONTRACT, hereinafter "Contract," made and entered into the ^{25th} 11th day of September, 2017 by and between MSL CPA's and Advisors hereinafter referred to as "Contractor" and the City of Stuart, Florida, a municipal corporation, 121 SW Flagler Avenue, Stuart, Florida 34994, hereinafter referred to as "City", for and in consideration of the following terms, conditions and covenants.

I. PURPOSE OF CONTRACT

City intends to enter into a contract with Contractor for provision of Independent Auditing Services by the Contractor and the payment for those services by City as set forth below.

II. STATEMENT OF WORK

The Contractor shall provide Independent Auditing Services pursuant to this Contract as hereinafter provided. These services will include all labor, equipment, and materials necessary to provide Independent Auditing Services.

Section 1. Scope of Service

Contractor shall work with City staff in advising the City and the City Commission regarding Independent Auditing Services as rendered. The detailed scope of services to be performed and schedule of fees for those services is described in Exhibit A (Contractor's response to RFP #2017-173 as accepted by the CITY) and Exhibit B (CITY's original Request For Proposals) incorporated herein.

III. CONTRACT PROVISIONS

Section 1. Period of Service

1.1 Term of Contract

Upon award of this Contract, the effective date of this Contract shall be the date of execution of this Contract by both City and Contractor. Term of this contract shall be for an initial period of three (3) years with the option of four (4) additional one-year renewal periods, upon the mutual written agreement of the parties.

Section 2. Compensation and Method of Payment

2.1 Fee Schedule

CITY will compensate Contractor for these Independent Auditing Services in accordance with Contractor's pricing schedule formalized in "Exhibit A-Price Proposal Form" to this Contract. Contractor's pricing schedule may be updated annually prior to each optional renewal period.

2.2 Invoices

Contractor shall submit invoices to the City for work accomplished and accepted by the City under this Contract. Each invoice shall be detailed and include, but not be limited to, a legible copy of the estimate approved by the City Representative, and the date work was completed and accepted by the City.

2.3 Payment

Payment for services rendered is due within thirty days of receipt and approval of invoice by City. Payment is delinquent 30 days following receipt and approval of invoice by City.

2.4 Use of Documents

All original documents that result from the Contractor's services pursuant to this Agreement shall be the sole property of the City.

Section 3. Audit

The Contractor agrees that the City or any of its duly authorized representatives shall, until the expiration of three years after expenditure of funds under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this Agreement. The Contractor agrees that payment(s) made under this Agreement shall be subject to reduction for amounts charged thereto which are found on the basis of audit examination not to constitute allowable costs under this Agreement. The Contractor shall refund by check payable to the City the amount of such reduction of payments. All required records shall be maintained until an audit is completed and all questions arising therefrom are resolved, or three years after completion of the project and issuance of the final certificate, whichever is sooner.

Section 4. Contractor Responsibility

5.1 Independent Contractor

The Contractor is an independent contractor and is not an employee or agent of the City. Nothing in this Agreement shall be interpreted to establish any relationship other than that of an independent contractor, between the City and the Contractor, its employees, agents, subcontractors, or assigns, during or after the performance of this Agreement.

5.2 Contractor's Records

As a condition precedent to Contractor filing any claim against City, Contractor shall make available to City all of Contractor's books and records (directly or indirectly related to the claim of Contractor's business) requested by City. Refusal to do so shall constitute a material breach of this contract and cause for dismissal of any litigation.

Section 6. Termination

6.1 Termination for Convenience

Either party upon a thirty (30) day written notice to the other party may terminate this Contract. In the event of any termination, Contractor shall be paid for all services rendered to the date of termination including all authorized reimbursable expenses.

6.2 Termination for Cause

The performance of the Contract may be terminated by the City of Stuart in accordance with this clause, in whole or in part, in writing, whenever the City shall determine that the contractor has failed to meet performance requirement(s) of the Contract. If the successful bidder should be adjudged bankrupt, or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he should fail to provide properly skilled personnel or proper service in the sole discretion of the City, then the City can, after giving the successful proposer seven (7) days written notice, and without prejudice to any other right or remedy, terminate this Contract.

6.3 Performance Evaluation

Throughout the contract period the vendor(s) performance will be monitored by City staff. If vendor performance fails to meet the standards specified and receives an unacceptable rating, the City may without cause and without prejudice to

any other right or remedy, terminate the contract whenever the City determines that such termination is in the best interest of the City. Vendor's receiving an unacceptable rating will be notified by certified mail. Contract termination shall be served by written notice by the Procurement Division.

Section 7. CITY's Obligations

7.1 Project Manager

The Project Manager for the City with the authority to act on the City's behalf with respect to all aspects of the Project is the Finance Director or designee.

The Project Manager for the Contractor with authority to act on the Contractor's behalf with respect to all aspects of the Project is:

Bill Blend, CPA, CFE Shareholder
255 S. Orange Avenue, Suite 600
Orlando, FL 32801
Email: wblend@msslcpa.com
Phone: 800-683-5401

Section 8. Persons Bound by Contract

8.1 Parties to the Contract

The persons bound by this Contract are the Contractor and the City and their respective partners, successors, heirs, executors, administrators, assigns and other legal representative.

8.2 Assignment of Interest in Contract

This Contract and any interest or services associated with this Contract may not be assigned, sublet or transferred to another by either party without the prior written consent of the other party. Nothing contained herein shall be construed to prevent Contractor from employing such independent Contractors, associates and subcontractors as Contractor may deem appropriate to assist in the performance of the services hereunder.

8.3 Other Entity Use

The successful Contractor may be requested to convey its proposal prices, contract terms and conditions, to municipalities or other governmental agencies within the State of Florida.

8.4 Rights and Benefits

Nothing herein shall be construed to give any rights or benefits arising from this Contract to anyone other than Contractor and the City.

Section 9. Indemnification of City

Contractor assumes the entire responsibility and liability for all damages or injury to all persons, and to all property, caused by the Contractor or Contractor's employees, agents, consultants or sub-contractors, and Contractor shall to the fullest extent allowed by law, indemnify and hold harmless the CITY, and its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, omission, or intentional conduct of the Contractor and other persons employed or utilized by the Contractor in the performance of the contract. Specific consideration for this indemnity is \$10.00, the receipt and sufficiency of which are hereby acknowledged by Contractor.

Contractor shall obtain, maintain and pay for general liability insurance coverage to insure the provisions of this paragraph.

Section 10. Insurance.

10.1. Requirements

Contractor shall procure and maintain insurance, in the amounts noted in Item 5.2 of the Request for Proposal and included in “**Exhibit C**” of this Contract, which names the Contractor, its officers, board members, employees and agents as additional insured on General Liability and Automobile Liability insurance policies. Such certificate must contain a provision for notification of the City 30 days in advance of any material change or cancellation. The City by and through its Risk Manager, reserves the right to review, modify, reject or accept any required policies of insurance, including limits coverages or endorsements, herein from time to time throughout the term of this contract. All insurance carriers must have an A.M. Best Rating of at least A:VII or better. When a self-insured retention or deductible exceeds \$5,000, the City reserves the right, but not the obligation, to review and request a copy of contractor’s most recent annual report or audited financial statement. All contractors, including any independent contractors and subcontractors utilized, must comply with the insurance requirements as set forth in the documents identified and listed in “**Exhibit C**” attached hereto.

10.2 Certificate of Insurance

Certificates of all insurance required from the Contractor shall be attached to this agreement and shall be subject to the City's approval for adequacy.

Section 11. Professional Standards

All work performed by Contractor will be in accordance with the highest professional standards and in accordance with all applicable governmental regulations.

Section 12. Non-Appropriation

This Contract is deemed effective only to the extent of the annual appropriations available.

Section 13. General Conditions

13.1 Venue in Martin County

Jurisdiction a venue for any lawsuit to enforce the terms and obligations of this Contract shall lie exclusively in the County Court or the Circuit Court in and for Martin County, Florida.

13.2 Laws of Florida

The validity, interpretation, construction, and effect of this Contract shall be in accordance with and governed by the laws of the State of Florida.

13.3 Attorney’s Fees and Costs

In the event the Contractor breaches or defaults in the performance of any of the terms, covenants and conditions of this Contract, the Contractor agrees to pay all damages and costs incurred by the CITY in the enforcement of this Contract, including reasonable attorney's fees, court costs and all expenses, even if not taxable as court costs, including, without limitation, all such fees, costs and expenses incident to appeals incurred in such action or proceeding.

13.4 Mediation as Condition Precedent to Litigation

Prior to the initiation of any litigation by the parties concerning this Contract, and as a condition precedent to initiating any litigation, the parties agree to first seek resolution of the dispute through non-binding mediation. Mediation shall be initiated by any party by serving a written request for same on the other party. The parties shall, by mutual

agreement, select a mediator within 15 days of the date of the request for mediation. If the parties cannot agree on the selection of a mediator then the CITY shall select the mediator who, if selected solely by the CITY, shall be a mediator certified by the Supreme Court of Florida. The mediator's fee shall be paid in equal shares by each party to the mediation.

13.5 Contract Amendment

Agreement extends only to those services specifically described herein. If upon the request of the City, the Contractor agrees perform additional services such as verification of data used in Official Statements, assistance with special financial projects, tax services, pension assistance and management advisory services, the City shall pay the Contractor for the performance of such additional services a schedule of compensation rates for these various types of additional work shall be included reflecting hourly rates applicable to projects which may be requested and negotiated with the City.

The City of Stuart reserves the right to order, in writing, changes in the work required by GASB or other regulatory/professional entities. The contractor has the right to request an equitable price adjustment in cases where modifications to the contract under the authority of this clause result in increased costs to the contractor. This agreement may be modified upon the written and mutual consent of both parties, and approval by appropriate legal bodies in the City of Stuart.

No modification, amendment or alteration in the terms or conditions contained in this Contract shall be effective unless contained in a written documents executed with the same formality and of equal dignity herewith. This Contract constitutes the entire agreement between the parties, and no prior, or contemporaneous oral agreement shall be binding on either party. If either party fails to enforce a portion of any of this Contract, it shall not constitute a waiver of the same.

13.6 Contractual Authority

By signing this Contract the Contractor swears or affirms, under penalty of perjury, that this is a valid act of the Contractor, and that no later claim shall be made by the CONTRACTOR that the Contract is invalid or an *ultra vires* act, by reason of a failure to have the proper authority to execute the Contract. In the event that a court of competent jurisdiction later determines that the Contract is or would be null and void for failure of the signatory to have proper or complete authority, this Contract shall nonetheless be deemed valid under the theory of "apparent authority," or in the sole alternative of the City, shall be deemed to be the act of the signatory, as an individual, who shall be fully responsible for its complete performance.

13.7 Sovereign Immunity

Nothing contained herein shall be construed or interpreted as a waiver of the sovereign immunity liability limits established under chapter 768.20 Florida Statutes as amended.

Section 14. Public Records

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 office of the City Clerk as the custodian of Public Records for the City of Stuart, and all the respective departments at 772-288-5306 or cwhite@ci.stuart.fl.us , City of Stuart, City Clerk 121 SW Flagler Avenue, Stuart, Fl. 34994 per F.S. 119.12.

Public Records Relating to Compliance, Request for Records; Noncompliance, & Civil Action with F.S. 119.0701 the Contractor shall:

Keep and maintain public records required by the public agency to perform the service.

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.

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.

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.

A request to inspect or copy public records relating to a public agency's contract for services must be made directly to the public agency. If the public agency does not possess the requested records, the public agency shall immediately notify the contractor of the request, and the contractor must provide the records to the public agency or allow the records to be inspected or copied within a reasonable time.

If a contractor does not comply with the public agency's request for records, the public agency shall enforce the contract provisions in accordance with the contract.

A contractor who fails to provide the public records to the public agency within a reasonable time may be subject to penalties under F.S. [119.10](#).

If a civil action is filed against a contractor to compel production of public records relating to a public agency's contract for services, the court shall assess and award against the contractor the reasonable costs of enforcement, including reasonable attorney fees, if:

- The court determines that the contractor unlawfully refused to comply with the public records request within a reasonable time; and
- At least 8 business days before filing the action, the plaintiff provided written notice of the public records request, including a statement that the contractor has not complied with the request, to the public agency and to the contractor.

A notice complies with subparagraph above, if it is sent to the public agency's custodian of public records and to the contractor at the contractor's address listed on its contract with the public agency or to the contractor's registered agent. Such notices must be sent by common carrier delivery service or by registered, Global Express Guaranteed, or certified mail, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.

A contractor who complies with a public records request within eight (8) business days after the notice is sent is not liable for the reasonable costs of enforcement.

Section 15. Exhibits

The following Exhibits are attached to and made a part of this Contract:

“Exhibit A” - "Proposal as Submitted by Respondent and Accepted by City"

“Exhibit B” - “Original Request for Proposal as Issued by City, including all Addenda”

“Exhibit C” - "Insurance and Indemnification."

IN WITNESS WHEREOF, the City has hereunto subscribed and the Contractor has signed his, its, or their name, or names the date aforesaid.

CITY OF STUART, FLORIDA

ATTEST:



CHERYL WHITE
CITY CLERK



TROY MCDONALD
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:



MICHAEL MORTELL
CITY ATTORNEY



WITNESSES:

CONTRACTOR

MOORE STEPHENS LOVELACE, P.A.



(Signature)



(Signature)

William Blend, CPA, CFE

Printed Name

Shareholder

Title



(Signature)

EXHIBIT A

“PROPOSAL AS SUBMITTED BY RESPONDENT AND ACCEPTED BY CITY”



CPAs & ADVISORS

RFP #2017-173
COPY



*Proposal for Independent
Auditing Services*

**City of Stuart,
Florida**

July 19, 2017

PROPOSER

Moore Stephens Lovelace, P.A.
255 S. Orange Ave., Suite 600
Orlando, FL 32801

SUBMITTED BY

William Blend, CPA, CFE
Shareholder
wblend@mslcpa.com
800.683.5401



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CPAs & ADVISORS

Transmittal Letter

July 19, 2017

Auditor Selection Committee
City of Stuart
121 S.W. Flagler Avenue
Stuart, FL 34994

Dear Members of the Auditor Selection Committee:

Moore Stephens Lovelace, P.A. (MSL) sincerely appreciates the opportunity to provide you with our credentials and capabilities to serve as the City of Stuart, Florida's (the City) independent auditors.

Firm Profile and History

MSL is a Florida corporation that has been in business for over 40 years and has grown to be one of the largest independently owned and operated firms of certified public accountants in the Southeast. We are a nationally recognized CPA firm, serving clients in more than 20 states and eight countries. **We have office locations throughout Florida – Orlando, Miami, Tampa, and Tallahassee.** Many of our shareholders are nationally recognized specialists in their field of practice.

Understanding of Municipalities

All members of our engagement team have served municipal clients in the state of Florida. This means we understand the issues that are unique to the City. **Our engagement team members have provided services to the cities of Orlando, Sanford, Daytona Beach, New Smyrna Beach, Leesburg, and Altamonte Springs,** just to name a few. This means we understand the issues unique to a Florida municipality that will enable us to properly evaluate the accounting and reporting risks specific to the City, such as: Cash and Cash Equivalents, Debt, including Bonds, Capital Leases, Defined Benefit Pension Plan, and Single Audit.

MSL's Commitment to the City of Stuart

MSL's commitment to the City is to meet all deadlines and respond to all of your inquiries and requests promptly. We will communicate with you at every level, including at City Commission meetings. This communication will include reporting financial results, audit issues, future accounting and reporting issues, and other issues that impact your financial statements and the audit process. As part of our service, an IT assessment will be performed each year and will provide (at no additional cost) technical support related to all new accounting and reporting pronouncements by our nationally recognized experts.

During the engagement, MSL will only assign staff members from our Governmental Practice Group (GPG). This will ensure that you are always working with an audit team highly experienced in governmental accounting and auditing.

Local Firm with a National and Statewide Presence

Bill Blend, your Engagement Shareholder, has over 25 years of governmental auditing, accounting, and consulting experience in Florida. He serves on the Technical Accounting and Auditing Committees for both the Florida Institute of Certified Public Accountants (FICPA) and the Florida Government Finance Officers Association (FGFOA). Bill is one of only a few CPAs in the state qualified by the FICPA to teach their government ethics class, and he is often sought out as a speaker around the state. **Dan O'Keefe**, your Technical Review Shareholder, has over 40 years of governmental auditing, accounting, and consulting experience in Florida. Dan served on the American Institute of Certified Public Accountants (AICPA) State and Local Government Expert Panel and serves on the AICPA State and Local Government Conference Committee. He is a nationally recognized speaker in the area of state and local governmental accounting and auditing. In addition, Dan authored the *Florida Single Audit Act*.

Ease of Transition to MSL and Fresh Perspective

MSL will provide the City with a fresh look at its financial statements and related operations. Our dedication to the governmental sector includes professional and seasoned staff fully familiar with Florida municipalities. This makes a transition to MSL simple and efficient. Staff assigned to your engagement has experience in these transitions. We know how to obtain certain audit documentation without any City staff involvement. We utilize resources, such as the City's website, Municode.com, and the Florida Auditor General's website. In addition, we provide initial document requests upon engagement, providing City staff ample time to accumulate the data at their convenience. Our fully electronic environment, including a secure website for client data transfers, will ensure minimal work interruption.

We fully recognize the significance of this opportunity to serve the City of Stuart. We promise that we will be a valuable resource to your organization. As Engagement Shareholder, I am authorized to make representations for the engagement team and MSL. I can be contacted at my office at (407) 740-5400 or on my cell phone at (407) 920-2158. I further declare that the proposal is, in all respects, fair and in good faith, made without collusion or fraud, and I have the authority to bind the Firm to this proposal.

Pursuant to your Request for Proposal, we herein offer our express agreement to meet or exceed the performance specifications stated in your RFP within the specified time period, as described under Tab 6, Part V, Section 5.1, of our proposal. In addition, this proposal remains in effect for ninety (90) days and may be extended at the discretion of the Firm.

Sincerely,



William Blend, CPA, CFE
Engagement Shareholder
wblend@mslcpa.com



TAB 1 – INDEPENDENCE

MSL is independent of the City and all of its component units, as defined by generally accepted auditing standards and the U.S. General Accounting Office’s *Government Auditing Standards* (1994 as amended in 2007).

MSL has not had any professional relationships with the City for the past five years that would constitute a conflict of interest. Also, MSL will give the City written notice of any professional relationships entered into during the period of this agreement.

TAB 2 – FIRM’S QUALIFICATIONS, KNOWLEDGE, AND EXPERIENCE

MSL is a Florida corporation that has been in continuous business for more than 40 years and has grown to be one of the largest independently owned and operated firms of certified public accountants in the state. We have four offices in the state of Florida. **The Firm’s headquarters are located in Orlando, with locations in Miami, Tampa, and Tallahassee.**

We currently serve over 40 governmental entities throughout the state. Many of our shareholders are nationally recognized specialists in their field of practice. The Firm and all of its CPAs are actively involved with the FICPA and AICPA, as well as the Private Companies Practice Section of the AICPA. Members of our GPG are involved with the AICPA’s Governmental Audit Quality Center (AICPA GAQC).

In past years, many large, local and Florida regional firms have been acquired by conglomerates penetrating the Florida market. Unlike these firms, we do not refer to Florida as a “market”; we refer to it as our home. A unique characteristic about our Firm is that over 80% of our clients are governmental or healthcare. These two sectors have been the most stable during any economic cycle. That has provided stability and strength to our Firm. We believe that by staying independent of larger firms, we can provide high-quality, personalized service from our local Florida offices.

While we consider ourselves a statewide firm, through our association with Moore Stephens North America, Inc. and Moore Stephens International Limited, we service clients throughout the world. While we are part of a network that provides us resources when needed, MSL is an independent Firm associated with Moore Stephens North America and Moore Stephens International Limited for the purposes of obtaining national or international resources when necessary. We also are a nationally recognized CPA firm, serving clients in more than 20 states and eight countries.





Being a member of Moore Stephens North America gives MSL immediate access to the expertise, business and geographic presence of trusted member firms throughout the U.S. There are 27 U.S. accounting firms in over 120 cities with over 150 offices. Total fee income for MSNA is approximately \$1.03 billion.

Florida Roots. National Resources.





Size of the Firm

MSL has almost 100 employees located in our four offices in Florida. MSL’s GPG includes 30 dedicated individuals. This total includes five Shareholders, four Managers, two Supervisors and 12 Seniors and Staff. All of the supervisory governmental staff assigned to the engagement for the City have obtained their CPA licenses. In addition, the GPG utilizes two IT Specialists and is supported by five Administrative Support personnel.

MSL Staffing	Firm	GPG
Shareholders	15	5
Managers	12	4
Supervisors	6	2
Seniors & Staff	26	12
IT Specialists	6	2
Support Staff	27	5
Total	92	30

Location of the Office that Will Oversee Services to the City

Our Central Florida office is located at 255 S. Orange Avenue, Suite 600, Orlando, FL 32801. We will be utilizing **full-time staff** from this office to service your engagement. Your engagement team will consist of two shareholders, one manager, one IT specialist, one senior, and staff as required.

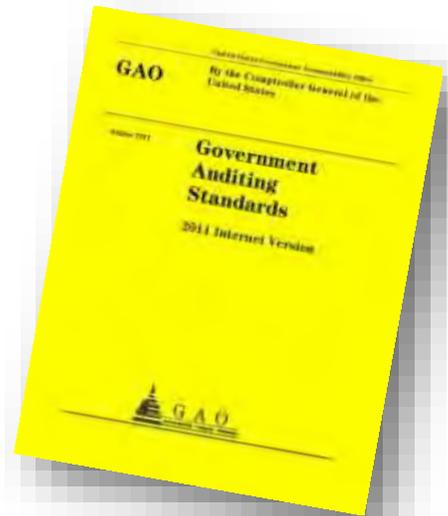




Quality Control Review

Quality control in any CPA firm can never be taken for granted. It requires a continuing **commitment** to professional excellence. We are formally dedicated to that commitment.

Our Firm recognizes the long-term significance of developing a formal quality control program. In an effort to continue to maintain the standards of working excellence required by our Firm, we are members of the Private Companies Practice Section (PCPS), the Center for Audit Quality (CAQ), and the **Governmental Audit Quality Center (GAQC) of the AICPA**. To be a participating member firm, you must obtain an independent compliance review of your firm's quality control policies and procedures every three years to ascertain compliance with existing auditing standards on the applicable engagements. The scope of the peer review is comprehensive, in that, it specifically reviews the quality control policies and procedures of the participating firm's accounting and auditing practice, including its work product in various client industries. We believe that our commitment to the program has been rewarding not only to our Firm, but primarily to our clients.



The external, independent peer review of the elements of our quality control policies and procedures performed by an independent certified public accountant selected by the AICPA provides both us and our clients with the assurance that we continue to conform to the standards of the profession in the conduct of our accounting and auditing practice.

Our Firm has undergone successful peer reviews since participation in the program. We take quality control seriously. We understand our responsibility in providing you with auditing services that meet or exceed the professional standards established by the AICPA, U.S. GAO, U.S. OMB, Florida Attorney General, and FBOA.

We also understand our responsibility under *Government Auditing Standards* (the Yellow Book) to provide you with our most recent peer review report. **We will always send you the most current report when it is issued.**





Following is our most recent peer review report for the period ended June 30, 2014. This peer review included a review of specific governmental engagements performed by MSL. It should be noted that no comments were made as a result of this review.

P&N Postlethwaite & Netterville
A Professional Accounting Corporation
Succession: Dennis A. Postlethwaite and Robert C. Netterville
www.pnccpa.com

System Review Report

To the Shareholders of Moore Stephens Lovelace, P.A.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Moore Stephens Lovelace, P.A. (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it so provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/peerreview.

All required by the standards, engagements selected for review included engagements performed under Government Auditing Standards and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Moore Stephens Lovelace, P.A. in effect for the year ended June 30, 2014, has been suitably designed and complied with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiencies or fail. Moore Stephens Lovelace, P.A. has received a rating of pass.

Postlethwaite & Netterville
Baton Rouge, Louisiana
September 26, 2014

(504)383-1200 • (800) 391-1201 • 2000 Bienville Lakeside • Baton Rouge, LA 70802 • Tel: 225-762-4300 • Fax: 225-762-4301

AICPA Peer Review Program
Approved by the Institute's Peer Review Committee
Implementation of QSOs
2011 Long Exposure
Dallas, TX 75201-2111

February 25, 2015

William Miller III, CPA
Moore Stephens Lovelace, P.A.
2000 Orange Ave #400
Orlando, FL 32801

Dear Mr. Miller:

It is my pleasure to notify you that on February 4, 2015 the National Peer Review Committee accepted its report on the most recent system peer review of your firm. The due date for your next review is December 31, 2017. This is the date by which all review standards should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,
Les Gray

Les Gray
Chair, National Peer Review Committee
lgray@aicpa.org 919-902-4502

cc: Christine E Wright, William Miller III
Firm Number: 10076888 System Number: M2536

Letter ID: 962484

BY SIGNING THIS LETTER YOU AGREE TO THE TERMS AND CONDITIONS OF THE AICPA PEER REVIEW PROGRAM





Federal or State Desk Reviews

MSL has not had a review of our workpapers performed in the last three years. The last review was performed by the Department of Education in 2011.

Disciplinary or Regulatory Action

MSL has had no regulatory action taken, or pending, against the Firm during the past three years with state regulatory bodies or professional organizations. We will provide the City with written notice of any disciplinary or regulatory action taken or pending against the Firm during the period of the City's engagement.





Partner, Supervisory and Staff Qualifications and Experience

To ensure that you receive excellent service, you must have excellent professionals serving you. That's why MSL is committed to the governmental sector. Our governmental practice accounts for a significant portion of our Firm's revenues. Governmental work is not filler work at MSL. Our GPG performs services for some of the largest governmental entities in Florida. Members of this group dedicate 90% of their time working with governmental clients. This enables all members of this group to be fully versed in governmental accounting and auditing issues. With all of the changes in public accounting, especially the governmental sector, ensuring that you have qualified governmental auditors cannot be underestimated.

Your engagement team has over 100 years of combined experience providing auditing, accounting, and consulting services to hundreds of municipalities, more than 15 Florida counties, and special districts and authorities. As a result of this collective knowledge and experience, your team is uniquely suited to provide you with the highest quality auditing services. We guarantee that all members of your team have Florida **municipality** experience. You will not need to train our staff.

All of our professional staff, including the auditor in charge of your engagement, meet the educational requirements set forth under Florida Statutes. Specific details of relevant continuing professional education and local governmental audit experience are found in each staff member's résumé.

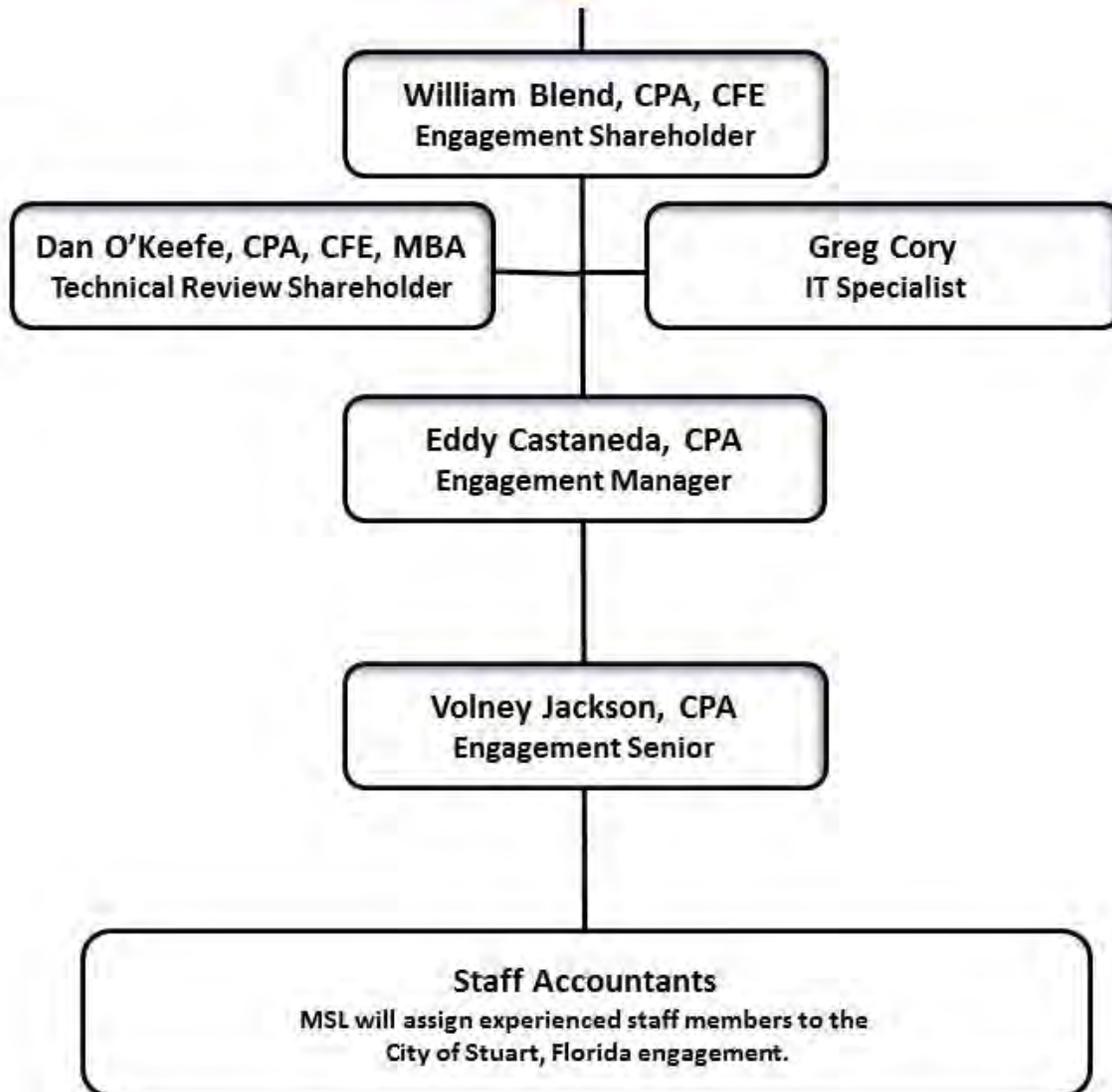
MSL and the key professional staff are properly registered and licensed to practice in the state of Florida. In addition, our Firm and all assigned key personnel are in good standing with the FBOA.

Staff Continuity During Engagement Term

We understand the need to have consistency among engagement team members to ensure the best audit experience for the City. It is in the best interest of MSL and our clients to have staff return to an engagement. We recognize the importance of continuity to both the efficiency and effectiveness of the audit. We also understand that maintaining continuity will minimize interruptions to valuable City staff time, especially with limited resources. Therefore, we will always strive to provide you continuity of staffing. We can tell you that our turnover is significantly lower than average for firms of our size. As previously stated, our dedication to the governmental sector brings quality personnel to us. If it becomes necessary to replace staff, we will introduce replacements to the City as soon as possible, and the City will always have the right to approve or reject such replacements. We would like the City to know that approximately 25% of our personnel have been with MSL for more than ten years.

The engagement organizational chart on the next page shows key members of the audit team ready to provide the best audit services to the City. The pages subsequent to this chart provide detailed staff résumés for each key team member.







William Blend, CPA, CFE

Engagement Shareholder

Education and Certifications

- B.S. Degree in Accounting, Long Island University
- C.P.A., Certified Public Accountant - Florida
- C.F.E., Certified Fraud Examiner

Professional Memberships and Affiliations

- AICPA
- FICPA
- Florida Government Finance Officers Association (FGFOA)
- FGFOA Conference Committee
- FGFOA Technical Committee
- Instructor for the FGFOA and develops and teaches Firm auditing classes
- FICPA Instructor - Ethics for Governmental CPAs in Florida
- FICPA Technical Committee
- Association of Certified Fraud Examiners (ACFE)
- FICPA State and Local Government Section
- FICPA Compliance Practice Aid Team Member
- FICPA High School Coordinator for Seminole County
- Seminole County Chamber of Commerce Government Affairs Committee

Listing of Relevant CPE Courses:

2012 – 2016 MSL Governmental Update
 Federal and State Single Audit Update (Instructor)
 FGFOA Annual Conferences – 2012-2015
 Fraud Awareness
 Ethics for CPAs: Accounting/Auditing Emphasis (Instructor)
 GASB Update 2014 - 2015
 AICPA GAQC 2015 Annual Update Webcast
 COSO and Internal Control
 Municipal Bankruptcies and Fiscal Sustainability
 Tax Exempt Debt / Accounting and Auditing Issues
 The External Auditor and Fraud (Instructor)
 Circular A-133 Audit Sampling Strategies - Webinar

Background - Bill Blend is a member of the Firm’s Governmental Practice Group. Bill has over 25 years of public accounting, governmental and not-for-profit experience. He has provided services to numerous municipalities, counties, and other governmental entities.

Professional Experience - Bill has extensive experience in auditing the governmental financial operations of municipalities, counties, special districts, and authorities. He also provides consulting services in the areas of internal control assessments, litigation support, fraud remediation, and performance reviews.

He has authored numerous CPE courses on governmental accounting and auditing and has instructed CPE sponsored by the FGFOA and the FICPA. Bill is one of only a few CPAs in the state qualified by the FICPA to teach their government ethics class, and he is often sought out as a speaker around the state. He is a two-time recipient of the FICPA Outstanding Discussion Leader Award.

Bill is a Certified Fraud Examiner and is trained in the use of IDEA data-mining software.





William Blend, CPA, CFE (Continued)

Engagement Shareholder

Governmental, educational, and other entities served include the following:

Counties

- Broward*
- Citrus*
- Indian River*
- Lake*
- Osceola*
- Seminole*
- Volusia*

Municipalities

- Altamonte Springs
- Apopka*
- Casselberry*
- Cocoa Beach*
- Coral Springs*
- Davie
- Daytona Beach*
- DeBary*
- Deltona*
- Dunedin*
- Gulfport*
- Indian River Shores
- Indian Rocks Beach

Municipalities (Continued)

- Kissimmee*
- Lake Helen
- Leesburg*
- Maitland*
- Mt. Dora*
- New Smyrna Beach*
- Oak Hill
- Orlando*
- Palm Bay*
- Palm Beach Gardens*
- Pembroke Pines*
- Port Orange*
- Sanford*
- St. Cloud*
- Tampa*
- Tarpon Springs*
- Temple Terrace
- Venice*
- Vero Beach*
- Winter Park*

Special Districts and Authorities

- Barefoot Bay Recreation District
- Central Florida Expressway Authority
- East Central Florida Regional Planning Council*
- Florida Intergovernmental Finance Commission
- Greater Orlando Aviation Authority (GOAA)*
- Hobe Sound Water Management District
- Memphis-Shelby County Airport Authority
- MetroPlan Orlando*
- Miami-Dade Expressway Authority*
- New Smyrna Beach Utility Authority*
- Sanford Airport Authority*
- TOHO Water Authority*
- West Volusia Hospital Authority

Educational

- Academie DaVinci Charter School
- The Reading Edge Academy
- Florida A&M University*
- Florida Virtual School *
- School District of Broward County*
- School District of Escambia County
- School District of Manatee County*
- School District of Osceola County*
- School District of Pasco County*
- School District of Seminole County*
- School District of Volusia County*

***Indicates Single Audit included**





Daniel J. O'Keefe, CPA, CFE, MBA
 Technical Review Shareholder

Education and Certifications

- M.B.A. Degree in Accounting, Florida State University
- B.S. Degree in Accounting, Canisius College, Buffalo, NY
- C.P.A., Certified Public Accountant - Florida
- C.F.E., Certified Fraud Examiner

Professional Memberships and Affiliations

- AICPA
- Served on the AICPA State and Local Government Expert Panel
- Member of the AICPA National State and Local Government Conference Committee
- Speaker at the AICPA National State and Local Government Accounting Conference and the National Not-for-Profit Conference
- FICPA
- Government Finance Officers Association (GFOA)
- Florida Government Finance Officers Association
- Member of the FICPA Governance Task Force
- Association of Certified Fraud Examiners (ACFE)
- UCF Accounting Advisory Board member
- Past Chairman of the Seminole State College Foundation

Listing of Relevant CPE Courses:

- 2012 - 2016 MSL Governmental Update Training
- FGFOA Annual Conferences – 2012 – 2015
- COSO for State and Local Governments (Instructor)
- Federal Financial Reporting
- GASB Pension & Financial Reporting
- Yellow Book and Green Book
- Fraud Waste and Abuse in Government
- Municipal Bankruptcies and Fiscal Sustainability (Instructor)
- The External Auditor and Fraud
- AICPA GAQC 2015 Annual Update Webcast
- MSL Governmental Financial Accounting and Reporting Case Study (Instructor)

Background - Dan O'Keefe has over 40 years of public accounting, governmental, and not-for-profit experience. He heads up the Firm's Governmental Practice Group, serves on the Firm's Board of Directors, and is the Firm's Secretary. He has provided services to numerous municipalities, counties, and other governmental entities, and is a nationally recognized expert in the area of governmental auditing. He is one of the most sought-after public sector instructors in the state.

Professional Experience - Dan has extensive experience auditing governmental financial operations, including services provided to more than 50 municipalities, 16 counties, four state agencies, and dozens of special districts and authorities. He also provides consulting services in the areas of internal control assessments, litigation support, fraud remediation, and performance reviews.

Dan provides CPE services to clients, peers, and governmental agencies nationwide. He has authored numerous CPE courses on governmental accounting and auditing; instructed CPE sponsored by the AICPA and the FICPA; and previously served a four-year term on the Florida Board of Accountancy CPE Committee. He is a three-time recipient of the FICPA Outstanding Seminar Leader Award and two-time recipient of the AICPA Outstanding Instructor Award. He is an adjunct professor at the University of Central Florida and the University of West Florida.

Dan is the co-author of *A State Lottery: A Challenge for Auditors*; co-author of *Auditing Budget Requirements for Florida's Local Governments*; and author of the *1996 Single Audit Requirements*. In addition, Dan authored the *Florida Single Audit Act*.





Daniel O’Keefe, CPA, CFE, MBA (Continued)

Technical Review Shareholder

Governmental, educational, and other entities served include the following:

Counties

- Alachua*
- Broward*
- Citrus*
- Collier*
- DeSoto*
- Hillsborough*
- Indian River*
- Lake*
- Manatee*
- Marion*
- Okeechobee*
- Orange*
- Osceola*
- Martin*
- Seminole*
- Volusia*

Municipalities

- Altamonte Springs
- Apopka*
- Belle Isle
- Bradenton
- Bunnell
- Casselberry*
- Cocoa Beach*
- Coral Springs*
- Crystal River
- Davie
- Daytona Beach*
- Daytona Beach Shores
- DeBary*
- Deltona*
- Dunedin*
- Green Cove Springs
- Gulfport*
- Holly Hill
- Indian Rocks Beach
- Kissimmee*
- Lake Mary*

Municipalities (Continued)

- Leesburg*
- Longwood
- Maitland*
- Margate
- Mount Dora*
- Ocala
- Orchid
- Orlando*
- Ormond Beach
- Pahokee
- Palm Bay*
- Palm Beach
- Palm Beach Gardens*
- Pembroke Park
- Pembroke Pines*
- Pomona Park
- Port Orange*
- St. Cloud*
- Sanford*
- Sebring*
- South Daytona
- Tamarac
- Tampa*
- Tarpon Springs*
- Temple Terrace
- Venice*
- Vero Beach*
- Wellington
- West Palm Beach
- Winter Garden
- Winter Haven
- Winter Park*
- Winter Springs

State Agencies

- Florida Lottery
- Florida Health Department
- Florida Housing Finance Agency
- Florida Department of Elder Affairs

Special Districts and Authorities

- Barefoot Bay Recreation District
- Central Florida Expressway Authority
- Fort Pierce Utilities Authority
- East Central Florida Regional Planning Council*
- Greater Orlando Aviation Authority*
- Miami-Dade Expressway Authority*
- Memphis-Shelby County Airport Authority
- MetroPlan Orlando*
- Orange County Housing Finance Authority*
- Orange County Library District
- Reedy Creek Improvement District
- VOTRAN*
- TOHO Water Authority*
- West Volusia Hospital Authority

Educational

- Academie DaVinci Charter School
- Bethune-Cookman College*
- Early Learning Coalition of Flagler/Volusia*
- Florida A&M University*
- Florida Virtual School*
- Frank Scanga Charter School
- Futures, Inc.
- Kissimmee Charter School
- Orlando Lutheran Academy
- Reading Edge Academy
- School District of Brevard County*
- School District of Broward County*
- School District of Escambia County*
- School District of Manatee County*
- School District of Osceola County*
- School District of Pasco County*
- School District of Seminole County*
- School District of Volusia County*
- Stetson University

Other

- Florida Intergovernmental Finance Commission

***Indicates Single Audit included**





Eddy Castaneda, CPA, MBA

Engagement Manager

Education and Certifications

- B.S. Degree in Accounting, University of Central Florida
- Masters of Business Administration in Accounting, Baker College
- C.P.A., Certified Public Accountant – Florida

Professional Memberships and Affiliations

- Florida Government Finance Officers Association (FGFOA)
- Florida Institute of Certified Public Accountants (FICPA)
- American Institute of Certified Public Accountants (AICPA)

Listing of Relevant CPE Courses:

- MSL Governmental Update
- FGFOA Annual Conferences – 2010 – 2017
- Ethics for CPAs: Accounting/Auditing Emphasis Clarity Standards
- Yellow Book
- GASB and GASB Standards Updates
- Fraud Waste and Abuse in Government
- GAQC Annual Update
- Governmental Accounting, Reporting and Auditing Seminar – Texas Tech University

Background – Eddy Castaneda is a member of the Firm’s Governmental Practice Group. Eddy has 10 years of public accounting experience, including performing external and internal audits, examinations, reviews, and compliance work for governmental and not-for-profit entities. He has performed audits and consulting services on over 30 governmental entities.

Professional Experience - Eddy has extensive experience in planning and conducting operational and financial audits. He has helped our clients to achieve and maintain compliance with regulatory requirements and improve internal controls. Eddy also provides consulting services in the areas of internal control and operational structure for governmental entities. He also serves on the FGFOA’s School of Governmental Finance Committee and helps develop the detailed educational program on various governmental accounting topics throughout the state. Eddy is also a national speaker and has authored and taught several CPE courses throughout his career.





Eddy Castaneda, CPA, MBA (Continued)

Engagement Manager

Governmental, educational, and other entities served include the following:

Counties

- Citrus*
- Lake*
- Osceola*
- Volusia*

Municipalities

- Apopka*
- Casselberry*
- Cocoa Beach*
- Coral Springs
- Kissimmee*
- Leesburg*
- Mount Dora*
- Pembroke Pines
- Sanford*
- St. Cloud*
- Winter Park*

Special Districts, Authorities and Associations

- Barefoot Bay Recreation District
- Early Learning Coalition of Monroe & Volusia*
- East Central Florida Regional Planning Council*
- Greater Orlando Aviation Authority (GOAA)*
- Lake-Sumter Metropolitan Planning Organization
- Lake-Sumter Emergency Medical Services
- Miami-Dade Expressway Authority*
- MetroPlan Orlando*
- Orlando/Orange County Convention & Visitors Bureau
- North Brevard County Hospital District*
- TOHO Water Authority*

Educational

- Florida A&M University
- School District of Broward County*
- Pembroke Pines Charter Schools
- School District of Volusia County*
- School District of Escambia County*

***Indicates Single Audit included**





Volney Jackson, CPA

Engagement Senior

Education and Certifications

- B.S. Degree in Accounting, Montclair State University
- C.P.A., Certified Public Accountant – Florida and New Jersey

Professional Memberships and Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- New Jersey Society of Certified Public Accountants

Listing of Relevant CPE Courses:

- Governmental Update Training
- Yellow Book
- Uniform Grant Guidance
- GASB 68 – Accounting and Financial Reporting for Pensions
- Spotting Fraud in a NFP, Government Environment
- Audit Efficiency - Government
- Internal Controls/COSO for Government and NFPs
- Spot the Error - Government
- Common Debt and Equity Instruments
- IT Security and HIPAA Update
- Compliance Supplement Update
- GASB Pension & Financial Reporting

Governmental, educational, and other entities served include the following:

Counties	Municipalities	Special Districts, Authorities and Associations
Broward*	City of Pembroke Pines*	Miami-Dade Expressway Authority*
Bergen, NJ	City of Sunny Isles Beach*	Bergen County Utilities Authority, NJ
	City of East Orange, NJ	North Bergen Municipal Utilities Authority, NJ
	City of Passaic, NJ	Plainfield Municipal Utilities Authority, NJ
	Borough of Alpine, NJ	
	Borough of Glen Rock, NJ	Educational
	Township of Montvale, NJ	Carteret, NJ
	Township of Washington, NJ	East Orange School District, NJ
	Township of Wyckoff, NJ	Nutley, NJ School Board
	Wayne Township, NJ	Passaic School, NJ
	West New Work, NJ	Plainfield, NJ
		Ridgefield Park, NJ
		Wyckoff, NJ

*Indicates Single Audit included

Background - Volney Jackson is a member of the Firm’s Governmental Practice, Middle Market and Senior Housing Practice Groups. She has over 10 years of public accounting experience and has experience performing audits and compliance work for governmental and not-for-profit entities.

Professional Experience - Volney has experience performing governmental risk-based audits and compliance work for governmental entities, HUD compliance, and healthcare.





Greg Cory

IT Specialist

Education and Certifications

- B.S. Degree in Accounting, University of Florida
- M.S. Degree in Computer and Information Sciences, University of Florida

Professional Memberships and Affiliations

- ISACA
- PCI
- InfoSec
- SHRM
- International Franchise Association

Industry Skills

- Discovery and assessment, security audits, risk assessment, compliance and reporting
- Strategic planning, system architecture and development, DevOps
- Business continuity, disaster response planning
- Performance measurement, load testing, QA
- Infrastructure management (on-prem and cloud)

Technical Experience

- Hosting: VMWare, AWS, Azure
- Network: Cisco, Sophos, Meraki, Ubiquiti, AlienVault, PRTG, Monitis
- Development: .NET, Java, PHP, MSFT SQL Server, MySQL
- Enterprise: Office365, Google Enterprise/G-Suite

Background - Greg Cory is a seasoned technology executive with 20-plus years of experience assessing, developing and managing technology. He previously worked in public accounting performing technology risk management services. He has been CTO for several companies serving the private, government and non-profit markets. He has extensive hands-on experience with software product development, back-office technology implementation, and on-premise and cloud infrastructure.

Professional Experience - Greg was CEO of a SaaS provider of specialized CRM and marketing automation technology for the franchise industry. During that time, he was involved with the International Franchise Association both as a supplier board member and as a technology committee member.





TAB 3 – AUDIT APPROACH

Overview

The following section lays out the blueprint for our audit approach. Our audit approach is presented utilizing three elements. While not specifically identified, we fully understand that the key to any successful audit is communication with the client. This communication will include audit requests and the timing of audit procedures with the responsible parties prior to initiation. Our goal is to ensure that everyone involved in the audit fully understands their role, as well as any deadlines. In addition, we realize that an audit is often subject to scheduling changes based upon the activities or events that take place during the audit process. We are fully capable and flexible to work through these types of events and still ensure that the most complete and timely audit services are provided to the City.

The first element is our general audit approach. In this section, we outline the professional standards, regulations, and principles we operate under to ensure our engagement is in accordance with all of the applicable professional standards. These standards include *Government Auditing Standards*, generally accepted auditing standards, the Uniform Guidance, the *Florida Single Audit Act*, and *Rules of the Auditor General*. These standards dictate how we must conduct our audit and are applicable to every audit, regardless of size or complexity of an entity or any of its components.

The second element discusses the four phases of the audit process and common procedures performed during the audits of all components of the City. The four phases identified in the second element are 1) audit planning process, 2) develop audit plan, 3) perform audit plan, and 4) report and monitor. Included with each phase are various general procedures we perform to accomplish the goal of each phase.

The third element identifies specific procedures we believe will be utilized during our audit of the City. These procedures were developed from our review of the City's CAFR. We understand that no two governmental entities are the same and to approach an audit with that mindset would be a disservice to our clients. We also understand that from year to year we must re-evaluate our audit procedures based upon the specific circumstances for that year.

Following the three elements described above will be additional information on specific audit methods to be incorporated into our audit plan, such as sampling, analytical procedures, use of Computer-Assisted Audit Techniques (CAATs), etc.





Element One – Audit Approach – General

The purpose of our audit is to provide us with a basis for expressing an opinion on whether the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of any additional information, as applicable, when considered in relation to the financial statements taken as a whole.

Overall, we will follow a risk-based audit approach, which is mandated under United States Auditing Standards Clarified (AU-C) Section 300. In our planning process, we will identify the risks of significant accounts and transactions related to the financial statements and plan our audit procedures to properly address those risks at the financial statement assertion level. In addition, we will incorporate AU-C Section 600, which relates to the audit approach and related documentation requirements for group audits. Under this section, we are required to evaluate the City, as well as its business activities, to determine what aspects of the City's activities are significant and need to be evaluated separately from a financial accounting and reporting perspective.

To enable us to reach our conclusion on the fairness of the City's financial statements, we must gather competent evidential matter that corroborates the assertions made by management in the financial statements. The principal techniques used to acquire evidence on which the expression of our opinion is based are as follows:

- **Examination (Inspection)** - One of our principal objectives is to substantiate the authenticity of various recorded figures and entries. Evidence of such authenticity is typically gathered through examination of documents pertaining to the transaction that occurred.
- **Confirmation** - The process of confirmation is closely related to that of inspection, but is used to obtain supporting evidence by direct request from third parties, rather than by reference to items of evidence readily available from management and staff.
- **Observation** - Observation is commonly used to ascertain compliance with certain prescribed procedures; we frequently use this technique to document and observe your financial operations.
- **Verification** - Generally, all of our activities related to the formulation of an opinion on your financial statements are referred to as verification procedures. However, specific tasks are performed to support specific financial statement assertions regarding the:
 - accuracy of recorded balances and related account classifications;
 - valuations of account balances based on generally accepted accounting principles; and
 - cut-off procedures employed by management to consistently record all transactions in the appropriate accounting period(s).
- **Inquiry** - Substantial information is gathered by direct inquiry of your personnel. Through inquiry, we can ascertain the duties performed by given individuals or, through carefully phrased questions, we are able to ascertain if those individuals are properly carrying out the responsibilities assigned to them. We can also determine specific information about selected accounting items or transactions to support decisions made by management personnel when other corroborating evidence is not readily available.





- **Analytical Review** - By performing an intensive study through analytical procedures, we can gain insight into the manner in which your accounting system does or does not develop reliable financial information. Our auditors perform analytical review procedures to ascertain that the recorded figures “make sense,” by being consistent with each other and with known external changes that are taking place. Changes from the previous year, budget-to-actual results or comparison to other comparable cities (benchmarking), are analyzed to make certain that the financial information produced through the City’s accounting and reporting system(s) are logical and reflect changes in operations or financial position that are known to have occurred.

Our audit approach is a positive approach, which maximizes the efficiency and effectiveness of the audit. Our audit programs are “tailor-made” for each engagement to enhance our ability to provide quality professional services and to produce results that are qualitative in nature. Our specific audit procedures are principally oriented toward determining the efficacy of the intended internal controls, ascertaining whether they are actually functioning as planned, and testing the final accounting results to determine that they are, in fact, sufficiently reliable and accurate to support the expression of our audit opinion.

Element Two – Common Procedures

Our general audit approach can be summarized in four main phases:

1. Audit planning and preliminary risk assessment
2. Develop audit plan by assessing risks and evaluating internal controls
3. Perform the audit plan, including tests of controls and substantive procedures
4. Report and monitor results

On the following page is a diagram illustrating the relationship of these four phases to your audit plan.







a. Proposed Segmentation of the Engagement (Element Three – Specific Procedures)

The following section gives an overview of the major audit segments (Planning, Substantive Testing and Wrap Up), as well as procedures we anticipate will be implemented in these areas. This section is not intended to provide you with all of the details of our audit steps. It indicates our understanding of the City, its environment, and the related internal controls anticipated to be in place.

The overall objective of our audit segmentation and related procedures is to ensure that our audit opinions are supported by the procedures performed. Procedures are evaluated throughout the audit process based upon the auditee’s environment, internal controls, and economic condition. In addition, our audit plan is evaluated throughout the audit and procedures are performed to address any significant issues identified during the audit process.

Planning – Internal Controls – Compliance

Engagement Administration and Planning

- Communication with those charged with governance to discuss goals, audit timetable, audit work plan, and particular areas of specialized concentration.
- Make preliminary assessments of the City, its environment, and its internal controls.
- Update systems documentation and permanent file information.
- Review status of the prior-year audit recommendations or findings, if any, and ascertain whether they were appropriately resolved.
- Identify all federal and state financial awards programs.
- Document our understanding of all financially significant laws and regulations, and identify any new laws or regulations that require audit testing.
- Identify new or modifications to the existing inter-local agreements.
- Discuss with management the implementation of recent GASB pronouncements, and determine applicability of pending matters.
- Determine and assign roles of Internal Audit and sub-contractors.
- Identify components of the City’s audit, financial significance and reliance, if any, to be placed on work of component auditors.

Evaluation of the City, Its Environment and Internal Controls

- Obtain and document our understanding of the City, its environment, its internal controls, organizational structure, components and operating characteristics.
- Evaluate organization, personnel, and financial practices.
- Document existing IT controls, and evaluate adequacy of physical security environment, including business continuity (disaster recovery) planning.
- Perform an IT risk assessment.
- Evaluate financial reporting systems and administrative monitoring capabilities. Design preliminary tests on controls for compliance with prescribed systems.
- Identify specific compliance requirements related to bond resolutions, ordinances, and Florida Statutes.
- Perform testing of controls over areas deemed to have financial significance. These generally include testing of cash disbursements, cash receipts, utility billings, journal entries, contracts, etc.





Planning – Internal Controls – Compliance (*Continued*)

Minutes, Contracts, and Resolutions

- Review minutes of meetings of the City Commission and prepare an abstract of information relevant to the audit of the financial statements.
- Obtain data concerning outstanding contractual commitments, if any, for financial statement disclosure adequacy.
- Design tests of controls for compliance with applicable laws and regulations and the Rules of the Auditor General of the State of Florida.
- Develop a compliance work program and incorporate it into the overall audit plan.

Budgets

- Document budgetary process and confirm compliance with applicable local ordinances, procedures and regulations.
- Review authorization and impact of interim budget amendments, if any.

Substantive Testing

Cash, Cash Equivalents, and Investments, including Restricted Funds

- Ascertain that cash in the balance sheet is on hand, in transit, or on deposit with third parties (trustees) in the name of the City.
- Ascertain that all cash funds of the City are included in the balance sheet.
- Ascertain that depositories are legally acceptable, that adequate collateral has been pledged for the City's deposits, and that separate depository accounts are maintained for each fund for which required.
- Ascertain that the cash balances reflect a proper cutoff of receipts and disbursements and are stated at the correct amount.
- Ascertain that cash balances are properly presented in accordance with related restrictions and disclosures are adequate.
- Ascertain that investment balances are evidenced by securities or other appropriate legal documents, either physically on hand or held in safekeeping by others, and include all the City's investments.
- Ascertain that investments are the types authorized by law, contract, and the investment policy of the City.
- Ascertain that investment values, incomes, gains or losses are correctly stated and properly allocated to accounts.
- Ascertain that investments are properly described and classified by fund type in the combined balance sheet and related disclosures.

Receivables, Revenue, and Cash Receipts

- Ascertain that only earned revenues, if any, in the fiscal year have been recorded, and amounts uncollected at year-end presented as receivables are valid. Ascertain that the City has satisfied the relevant legal requirements to receive all revenues recorded.
- Ascertain that the revenues were billed or charged and recorded at the correct amount and receivables are stated at the net realizable amount.
- Ascertain that amounts billed for services rendered are valid and have been billed to customers at authorized rates.
- Ascertain that unbilled service revenues are appropriately reflected in the proper accounting period.
- Ascertain that an adequate allowance for doubtful accounts has been established and that the related amounts and disclosures are properly presented in the financial statements.
- Ascertain that receivables are properly classified in the financial statements and that related disclosures are adequate.





Substantive Testing (*Continued*)

Inventories

- Ascertain that inventories recorded represent a complete listing of materials and supplies held by the City, and that such assets are physically on hand.
- Ascertain that inventory listings are accurately valued and the totals are properly recorded in accounts.
- Ascertain that inventory is properly classified and disclosure is made of the equity reserve, if appropriate.

Property, Plant, Equipment, and Capital Expenditures

- Ascertain that property and equipment represent a complete and valid listing of the capitalizable cost of assets purchased, constructed, or leased, and are physically on hand.
- Ascertain that capital expenditures represent a complete and valid listing of the capitalizable cost of the property and equipment acquired during the period, and capitalizable costs are excluded from repairs and maintenance and similar expenditure accounts.
- Ascertain that capitalized costs and related depreciation associated with all sold, abandoned, damaged, or obsolete fixed assets have been removed from the accounts.
- Ascertain that depreciation charges on all depreciable assets have been computed on an acceptable and consistent basis and that the related allowance accounts are reasonable.
- Ascertain that capital expenditures and fixed assets are properly classified and related disclosures are adequate.

Accounts Payable, Cash Disbursements, and Expenses

- Ascertain that recorded expenses and cash disbursements are for goods and services authorized and received.
- Ascertain that expenses incurred for goods and services and related accounts payable have all been identified, including any contingent or contractual liabilities.
- Ascertain that expenses for goods and services are authorized in accordance with the budget and other regulations or requirements.
- Ascertain that expenses and related disbursements and liabilities have been correctly recorded as to account, budget category, period, and amount.
- Ascertain that expenses and related liabilities are properly classified by budget category and related disclosures are adequate.

Payroll and Related Liabilities

- Ascertain that payroll disbursements are made only for work authorized and performed by authorized personnel.
- Ascertain that payroll is computed using rates and other factors in accordance with contracts and relevant laws and regulations.
- Ascertain that payroll and related liabilities are correctly recorded as to amount and period and properly distributed by account and budget category and disclosures are adequate.
- Ascertain the status of employee compensatory benefits for accruals and disclosure.

Long-Term Debt and Debt Service Expenditures

- Ascertain that debt is authorized and properly recorded.
- Ascertain that all indebtedness of the City is identified, recorded and disclosed.
- Ascertain that the City has complied with provisions of indentures and agreements related to debt, including provisions on use of proceeds.
- Ascertain that debt service expenditures (principal and interest payable) are properly recorded, classified, and disclosed.
- Ascertain that debt and related restrictions, guarantees, and commitments are properly presented and related disclosures are adequate.
- Review arbitrage calculations for reasonableness.





Substantive Testing (*Continued*)

Risk Management

- Document and evaluate controls over the City's risk management processes.
- Ascertain that cost allocation plans are in place for the proper allocation of insurance costs. Ensure that costs are allocated during the year and recorded correctly as to account, amount, and period, in accordance with the City's plan, as well as applicable policies and procedures.
- Review insurance coverage in place to ensure it is active and applicable for the City's risk.
- Ensure proper disclosures related to the City's risk management activities.

Net Position and Fund Balance

- Ascertain that all classifications of net position and fund balance are recorded and properly authorized in accordance with GASB 54 and 63.
- Ascertain that components of net position and fund balance are determined in accordance with applicable regulations and requirements.
- Ascertain that components of net position and fund balance, including changes in net position, are properly computed and are described, classified, and appropriately disclosed.

Revenues

- Perform analytical procedures related to charges for services.
- Design and perform a revenue test to determine that proper rates are charged.
- Compare revenue data for the current period and historically to customer demographics.
- Determine that impact fees are properly restricted and accounted for.
- Perform testing of various tax and inter-governmental revenues.
- Examine supporting documentation for contributions of dedicated lines for developers.

Expenditures and Expenses

- Perform analytical procedures related to expenses.
- Through testing and observation, determine that expenses are appropriate and properly classified.
- Determine that expenses are properly classified for budgetary purposes.

Pension Plans

- We will evaluate the plan administrator of the plans and from that evaluation determine what controls we will evaluate at the administrator level.
- We will review the process from contributions, eligibility, and other areas at the employer level to ensure the plans are being properly administered at the employer level.
- As much as possible, we will incorporate our evaluation of plan controls as part of our payroll control evaluation of the City.
- We will verify the accuracy of data provided to the actuary.
- We will determine disclosures and related supplementary information to comply with GAAP.





Substantive Testing (*Continued*)

Single Audit (if needed)

- Evaluate and test controls over compliance requirements.
- Ascertain status and resolution of prior-year findings and questioned costs.
- Test grant revenue through confirmation with grantor agency and ascertain appropriateness of classification.
- Ascertain that grant revenues and expenditures charged to grant programs are valid and complete and, if applicable, indirect costs are properly allocated.
- Ascertain that grants are administered and grant revenues and expenditures are recorded in accordance with grant provisions and related laws and regulations.
- Ascertain that grant-related amounts are properly presented and related disclosures concerning restrictions and compliance are adequate.

Grants (if needed)

- Evaluate and test controls over compliance requirements.
- Ascertain status and resolution of prior-year findings and questioned costs.
- Test grant revenue through confirmation with grantor agencies to ascertain appropriateness of classification.
- Ascertain that grant revenues and expenditures charged to grant programs are valid and complete and, if applicable, indirect costs are properly allocated.
- Determine threshold for Type A and Type B programs based on grant expenditures.
- Ascertain that grants are administered and revenues and expenditures are recorded in accordance with applicable provisions and related laws and regulations.
- Ascertain that grant-related amounts are properly presented and related disclosures concerning restrictions and compliance are adequate.
- Identify major federal programs and major state projects using risk-based approach.
- Evaluate and test controls over direct and material compliance requirements.
- Ascertain status and resolution of prior-year findings and questioned costs.

Wrap-Up and Reporting

- Coordinate review of the Management's Discussion and Analysis document for inclusion in the basic financial statements.
- Complete all financial disclosure checklists.
- Review status of prior-year audit recommendations and ascertain whether they were appropriately resolved.
- Provide current-year audit findings and recommendations for improvement related to the financial statements, internal control, accounting, accounting systems, and compliance with policies and procedures.
- Prepare preliminary drafts of audit reports and management letter, and meet with management to review drafts prior to issuance.
- Schedule and attend final meeting with management to finalize all financial reporting matters.
- Meet with the Mayor and City Commissioners one-on-one to discuss findings, recommendations and auditor opinions.
- Present financial statements to management and the City Commission.





b. Level of Staff and Number of Hours to be Assigned to Each Proposed Segment of the Engagement

Listed below are the proposed segmentation hours by staff level for the audit of the City:

Proposed Segmentation	Shareholder	Manager	Senior	IT Specialist	Staff	Total
Engagement Administration and Planning	15	20	15	10	10	70
Evaluation of the Entity/Internal Controls	15	15	20	20	60	130
Cash, Cash Equivalents, Investments	5	5	5	-	15	30
Receivables, Revenue, and Cash Receipts	-	5	5	-	20	30
Inventories	-	1	5	-	10	16
Capital Assets & Related Acquisitions	-	5	10	-	15	30
Accounts Payable & Other Liabilities	-	2	10	-	20	32
LTD & Debt Svc Pmts	5	5	10	-	15	35
Deferred Outflows/Inflows	-	5	5	-	-	10
Net Position and Fund Balance	-	-	5	-	5	10
Revenues and Expenditures/Expenses	-	5	10	-	15	30
Post-Employment Benefit Plans	5	5	10	-	5	25
Single Audit	5	25	15	-	-	45
Budget	-	2	5	-	10	17
Review and Financial Statement Procedures	25	40	40	5	30	140
TOTAL	75	140	170	35	230	650

c. Sample Size and the Extent to Which Statistical Sampling is to be used in the Engagement

We will follow the guidance of AU-C Section 530, *Audit Sampling*, in using a non-statistical approach. MSL uses this guidance, along with our professional judgment, to develop a logical process that includes assessing inherent risk, control risk, and combined audit risk, to determine where sampling is deemed appropriate and effective, as well as in the determination of sample sizes.

Sample sizes will vary, depending on the nature of the testing (compliance versus substantive) and the size of the population being sampled. Our utilization of sampling generally centers on compliance and controls testing, rather than substantive testing of account balances. Sample sizes for compliance and controls testing are based upon professional guidance.

Audit sampling is the application of an audit procedure to less than 100% of the items within an account balance or class of transactions for the purpose of evaluating some characteristic of the balance or class. Our auditors use extensive sampling procedures to obtain satisfactory audit evidence.

Sampling procedures routinely include statistical and non-statistical sampling based upon:

- the overall objective of the test
- the sample size
- the anticipated outcome of the sample results
- the nature of the sample population
- the nature of the item(s) being examined
- the significance of the results

Ordinarily, the significant portions of the sampling expected to be performed are identified at the onset of the engagement and are coordinated with the remaining auditing procedures to produce timely and efficient results.





We currently expect to perform the following types of sampling:

Attribute Sampling - To test the rate of deviation from a prescribed internal control procedure to determine whether planned reliance on that control is appropriate. In addition to tests of compliance with prescribed control procedures, attribute sampling will be used for certain substantive procedures to test for possible unrecorded transactions and for testing existing account balances.

Variable Sampling - To reach a conclusion about the adequacy or reasonableness of an account balance.

Examples of areas where we will apply sampling strategies include:

- The selection of cash receipts postings to test for determination of compliance with related statutory requirements and utility rate schedules
- The selection of cash disbursements and payroll transactions for compliance testing
- Journal entries
- The selection of debt payment transactions to test for timeliness of, and completeness of, payments to paying agents for debt costs and fiscal agent fees
- The selection of other transactions to determine compliance with laws and regulations

d. Extent of Use of EDP Software in the Engagement

As part of our audit, we routinely perform an analysis of our clients' computer-based financial management systems. To the extent possible, it is our policy to design our audit procedures to maximize the application of computer-assisted audit procedures for compliance and substantive testing of your system. We also utilize the capabilities of our own in-house computer systems to assist us in achieving efficiency in examining your financial accounting and reporting systems.

Our auditors utilize several EDP software systems in conjunction with performing audits. All software systems utilized are used exclusively on our own computer hardware brought on-site during the audit. We do not, and will not, install or use any of our proprietary software systems on client hardware systems in violation of our software licensing agreements.

We also have the inherent capability to download certain financial data into our own data processing systems. This procedure is typically limited to specific applications where it is feasible to do so. Quite often, our clients' systems do not provide the ability to download all historical data that we find essential to perform our analytical procedures and account comparisons. When that occurs, alternative procedures are employed to build the appropriate database to perform these necessary tasks.

To the extent possible, it is our policy to incorporate the use of computer-assisted audit techniques (CAATs) in all phases of our audit. Our Firm understands the efficiencies and effectiveness derived with the proper use of these audit techniques. We have committed significant Firm resources to provide your audit team with the tools and training to use these techniques. Our Firm uses IDEA data-mining software. This software enables us to take virtually any output file format from your financial reporting package and convert it into a usable data format for our staff to perform CAATs, such as:

- comparison of employee and vendor addresses to identify employees who are also vendors,
- analyzing numerical sequences from large populations to identify missing or duplicate checks or invoices,





- sorting payments to identify transactions that fall just under financial control or contract limits,
- unexpected trends in the number, or amounts of, payments to vendors, and
- search for false employees by comparing the human resources database with the payroll system database.

As a routine part of your audit, we will request electronic copies of your financial system’s database files to allow us access to information in your financial accounting systems. Our Firm uses financial data extraction and analysis software to assist us in performing your audit. As a primary audit tool, we utilize this software to read, display, analyze, manipulate, sample, or extract data files from almost any source within your financial management systems -- mainframe to PC, including reports printed to a file.

e. Type and Extent of Analytical Procedures to be Used in the Engagement

Analytical procedures are utilized in the planning, substantive testing, and wrap-up phases of all audits. The extent to which they are utilized is dependent upon our assessment of where the significant audit risks are. In the planning stage, analytical testing is used as one of many methods to determine “what has happened” during the audit period. Generally, we will utilize comparisons to prior-year activities. In addition, to make the information useful in the planning stages, we implement this process on the financial statement level to give us an overall assessment of changes that have occurred. During the substantive testing phase of the engagement, we generally utilize analytical procedures on revenue and expenditure/expense accounts, including, when appropriate, comparisons to prior year, as well as to budget. We utilize analytical procedures, when reasonable, to compare to operational information. For example, comparing water production to related revenues and expenses with direct or inverse relationships. In the wrap-up phase of the audit, analytical testing is used to support the testing performed throughout the audit, as well as to determine that no significant changes occurred outside of our expectations. The full extent to which analytical procedures are utilized is based upon the auditor’s professional judgment and the overall risk assessment results.

Substantive procedures include records examination (inspection), confirmation, observation, verification, inquiry, and analytical procedures, all of which have been discussed above. The extent to which any procedure is utilized is determined based upon the auditor’s evaluation of the account balance or transaction being evaluated. The best method utilized is dependent upon the auditor’s risk assessment of the specific accounting or reporting issue at hand. Which procedures are utilized is carefully evaluated throughout the audit process and often more than one of these procedures is implemented. In all cases, the audit team discusses the approach to be taken and evaluates this decision during the audit process to ensure that the testing performed will provide a reasonable basis for the auditor’s conclusions.





f. Approach to be Taken to Gain and Document an Understanding of the City’s Internal Control Structure

Audit standards require us to gain an understanding of the City, its environment, and its internal controls in order for us to properly plan our audit to address audit risk at the financial statement assertion level.

While the requirement to gain an understanding of the client, its environment, and its internal controls is the same on every engagement, the factors affecting this information and the procedures performed to gain this understanding are not the same for all engagements.

The objective in gaining this understanding is to identify types of potential misstatements, consider factors that affect the risk of material misstatement, and design tests of controls, when applicable, as well as substantive procedures. We anticipate evaluation of controls over the following significant areas:

- Cash and investments
- Accounts and grants receivable
- Capital assets
- Payables and accrued liabilities
- Monitoring and risk assessment on an entity-wide level
- Other areas will be evaluated, as deemed necessary
- Debt
- Financial reporting
- Grants
- Pensions and OPEB
- Cash receipts
- Cash disbursements
- Payroll

Procedures performed in our initial assessment will include examination of the applicable documentation (including policies and procedures), contracts, debt agreements, and other documentation necessary to gain an understanding of the significant accounting and reporting controls in place, as well as our expectations of what controls should be in place. Once an understanding has been gained, we will perform walkthroughs of the controls documented and make inquiries of staff.

The scope of testing performed on controls will be determined based upon our evaluation of both inherent and control risk, along with our consideration of materiality (qualitative and quantitative) at both the financial statement and account balance level. This evaluation will be completed during the planning phase of the audit. The results of our assessment will determine the extent to which we will test controls, as well as the nature, timing, and extent of substantive audit procedures to be performed.

g. Approach to Determining Laws and Regulations that will be Subject to Audit Test Work

A key component in auditing any governmental entity is to determine those laws, regulations, and contracts that have a significant impact on the financial statements. Our audit approach in this area involves:

- Review of enabling legislation
- Review of prior financial statements
- Inquiry of management and staff
- Review of federal and state laws
- Review of grant agreements
- Review of contracts and other agreements

Once significant laws and regulations that affect the City have been identified, we will develop compliance testing to ensure that we address these issues.





Areas currently identified as significant compliance areas are as follows:

- Debt covenants
- City's investment policy
- Pension plan requirements
- Other significant agreements
- Federal and state grants
- Federal tax and wage reporting

h. Approach to be Taken in Drawing Audit Samples for Purposes of Tests of Compliance

Our auditors use sampling procedures to obtain satisfactory audit evidence. In developing our methods for sampling, we utilize the methodology referenced in AU-C Sections 315, 330, and 530. Those sampling procedures routinely include statistical and non-statistical sampling based upon sample population, nature of the items being sampled, the required sample size, and the anticipated results.

Ordinarily, the significant portions of the sampling expected to be performed are identified at the onset of the engagement and are coordinated with the remaining auditing procedures to produce timely and efficient results.

We currently anticipate utilizing both attribute and variable sampling. Examples of areas where we will apply sampling strategies include:

- the selection of cash receipts postings to test for determination of compliance with related statutory requirements and utility rate schedules;
- the selection of cash disbursements and payroll transactions for compliance testing;
- the selection of debt payment transactions to test for timeliness, and completeness of, payments to paying agents for debt costs and fiscal agent fees; and
- the selection of other transactions to determine compliance with laws and regulations.





Identification of Anticipated Potential Audit Problems

Based on our review of the City's prior-year CAFR and other information we have obtained, we do not anticipate any specific audit problems. However, the public sector is highly regulated, and there are new laws, regulations, standards, and pronouncements coming out on a regular basis. As these changes become known, we will evaluate their impact on the City's financial statements and the effect they might have on the scope of our engagement. **Members of your audit team have been auditing Florida governments for over a quarter of a century.** They are accustomed to change and understand how to deal with it. As your auditors, we will gain an understanding of the issues at hand, communicate with you, and help resolve them to our mutual satisfaction.

There are several new government accounting standards becoming effective over the next few years. MSL will be able to support your staff and help guide them through the appropriate reporting of these new standards. Our direct relationship with the standard setters will help ensure that we provide appropriate guidance in the implementation of these new standards. Therefore, we do not anticipate this resulting in any audit problems, as your audit team will be fully aware of, and trained in, the applicable accounting requirements.

Our philosophy, when it comes to new rules, is that you, the client, and we, the auditors, are on the same page. We believe in working with our clients to obtain all the necessary facts to ensure the correct decisions are made. We share a common goal: to make certain that the City's financial reporting is in compliance with generally accepted accounting principles and federal and regulatory requirements. As a Firm highly staffed with governmental professionals, we are confident that we are prepared to overcome any challenges that may arise during the course of our relationship.

At MSL, we pride ourselves on being highly involved in our profession. As you saw in our engagement team members' résumés, we are actively involved in local and national professional organizations. Beyond our commitment to give back to our profession, this involvement enables all of our staff to be aware of all the issues that face our governmental clients. We encourage our clients, whenever possible, to early implement accounting standards. Our goal is to work with our clients to ensure that the implementation process goes smoothly and that the implementation is in accordance with the applicable standards. We provide support and information to our clients. One way this is accomplished is at our free annual governmental training session held in the summer, where all of our clients can come and discuss the accounting issues that face us all.





TAB 4 – FLORIDA ENGAGEMENTS

MSL is proud to share with the City the following representative listing of clients that are comparable in scope and size to the City for whom we have provided auditing services:

Project Name Scope of Work Dates Total Hours	Team Members	Contact Name, Title Phone Email Location	Annual Fee
City of Venice Annual Audit Single Audit 2011 – 2017 Hours: 564	Daniel O’Keefe William Blend Joel Knopp Jeff Wolf Alan Ricafort Chris Ghosio	Linda Senne, Interim Finance Director (941) 486-2626 lsenne@venicegov.com 401 West Venice Avenue Venice, FL 34285	\$70,000
City of Leesburg Annual Audit Single Audit 2010 – 2016 Hours: 605	Daniel O’Keefe William Blend Joel Knopp Ehab Azer Ashley Ariaga Chris Ghosio	Jim Williams, Finance Director (352) 728-9720 james.williams@leesburgflorida.gov 501 W. Meadow Street, 2 nd Floor Leesburg, FL 34749	\$75,000
City of Sanford Annual Audit Single Audit 2008 – 2017 Hours: 645	William Blend Daniel O’Keefe Joel Knopp Alan Ricafort Eddy Castaneda Chris Ghosio	Cynthia Lindsay, Finance Director (407) 688-5026 cynthia.lindsay@Sanfordfl.gov 300 N. Park Avenue Sanford, FL 32771	\$80,000
City of Dunedin Annual Audit Single Audit 2013 – 2017 Hours: 484	William Blend Daniel O’Keefe Joel Knopp Jeff Wolf Alan Ricafort Chris Ghosio	Kathy Oster, Accounting Manager (727) 298-3066 koster@dunedinfl.net 750 Milwaukee Avenue Dunedin, FL 34698	\$60,000

Including the clients listed above, we currently provide audit services to:

- 18 Florida municipalities
- 6 Florida counties
- 8 Florida school districts
- 12 Special districts and authorities





Other Florida local governmental entities audited by MSL’s GPG, including year(s) audited and annual budget amount, are as follows:

Client Name	Length of Service	Type of Service	Annual Budget
Municipalities			
City of Altamonte Springs	2005-2016	Annual Audit	\$76 million
City of Apopka	2014-2018	Annual Audit	\$69 million
City of Casselberry	2006-2016	Annual Audit	\$22 million
City of Cocoa Beach	2005-2019	Annual Audit	\$32 million
City of Daytona Beach	2010-2013	Annual Audit	\$199 million
City of Ft. Lauderdale	2012-2016	Single Audit	n/a
City of Indian Rocks Beach	2006-2017	Annual Audit	\$7 million
City of Kissimmee	2005-2016	Annual Audit	137 million
City of Mount Dora	2015-2019	Annual Audit	\$44 million
City of Orlando	2013-2017	Annual Audit	\$1.1 billion
City of Palm Bay	2010-2013	Annual Audit	\$125 million
City of Pembroke Pines	2010-2016	Commission Auditor	n/a
City of St. Cloud	2009-2011	Annual Audit	\$88 million
City of Tampa – Firefighters & Police Officers Pension	2011-2015	Annual Audit	n/a
City of Tampa – General Employee Pension	2012-2015	Annual Audit	n/a
City of Tampa – Single Audit	2011-2015	Single Audit	n/a
City of Tarpon Springs	2015-2017	Annual Audit	\$59 million
City of Temple Terrace	2015-2019	Annual Audit	\$43 million
City of Winter Park	2005-2009 2013-2016	Annual Audit	\$80 million





Client Name	Length of Service	Type of Service	Annual Budget
Counties			
Citrus County	2010-2018	Annual Audit	\$230 million
Lake County	2006-2016	Annual Audit	\$395 million
Osceola County	2008-2016	Annual Audit	\$889 million
Seminole County	2000-2018	Annual Audit	\$540 million
Volusia County - Clerk of the Circuit Court	2005-2016	Annual Audit	\$20 million
School Districts			
School District of Brevard County	2014-2017	Annual Audit	\$457 million
School District of Escambia County	2012-2016	Annual Audit	\$589 million
School District of Lee County	2016-2022	Annual Audit	\$1.3 billion
School District of Manatee County	2014-2018	Annual Audit/ Internal Accounts Audit	\$627 million
School District of Osceola County	2012-2016	Annual Audit	\$487 million
School District of Pasco County	2011-2016	Annual Audit	\$1.1 billion
School District of Seminole County	2010 2012-2013 2015-2022	Annual Audit	\$750 million
School District of Volusia County	2007-2008 2010-2011 2013-2014	Annual Audit	\$800 million
Florida Virtual School	2014-2018	Annual Audit	\$200 million
Special Districts and Authorities			
Barefoot Bay Recreation District	2006 - 2020	Annual Audit	\$5 million
Central Florida Expressway Authority	2012 - 2021	Annual Audit	\$262 million
East Central Florida Regional Planning Council	2005 - 2016	Annual Audit	\$1.8 million
Early Learning Coalition of Flagler & Volusia	2010 - 2017	Annual Audit	\$23 million
Greater Orlando Aviation Authority	2010 - 2018	Annual Audit Quarterly Reviews	\$250 million
MetroPlan Orlando	2005 - 2016	Annual Audit	\$43 million





Client Name	Length of Service	Type of Service	Annual Budget
<i>Special Districts and Authorities (Continued)</i>			
Miami-Dade Expressway Authority	2011 - 2020	Annual Audit	\$108 million
North Brevard Hospital District	2008 - 2017	Annual Audit	\$150 million
Sanford Airport Authority	2014 - 2017	Annual Audit	\$27 million
TOHO Water Authority	2005 - 2019	Annual Audit	\$177 million

We have also provided a variety of services to governmental entities related to risk assessment for internal controls, fraud litigation, efficiency and cost studies, and policy reviews and monitoring.





TAB 5 – REPORT FORMAT



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Orlando, Florida (the "City") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents. We have also audited the financial statements of the Firefighter Pension, the Police Pension, and the General Employees' Pension fiduciary funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, included in the accompanying combining financial statements as of and for the year ended September 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Firefighter Pension, the Police Pension, and the General Employees' Pension fiduciary funds of the City as of September 30, 2015, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.





The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Emphasis-of-Matter - Change in Accounting Principle

As discussed in Note I to the financial statements, in the fiscal year ended September 30, 2015, the City adopted the provisions of Government Accounting Standards Board Statement (GASBS) Number 68, *Accounting and Financial Reporting for Pensions* and GASBS 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As a result of the implementation of GASBS 68 and 71, the City reported a restatement for the change in accounting principle as of October 1, 2014. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information (other than MD&A), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining financial statements and schedules, supplemental information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining financial statements and schedules and supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

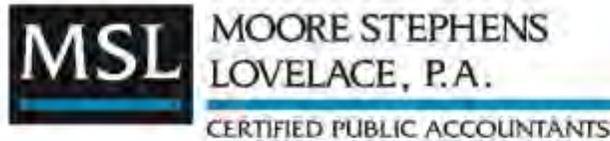
In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moore S Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 11, 2016





INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Orlando, Florida (the "City") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 11, 2016. We have also audited the financial statements of the City's Firefighters Pension Fund, the Police Pension Fund, and the General Employees' Pension Fund as of and for the year ended September 30, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated March 11, 2016.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 11, 2016



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Report on Compliance for Each Major Federal Program and Major State Project

We have audited the compliance of the City of Orlando, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and Department of Financial Services *State Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and major state projects for the year ended September 30, 2016. The City's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project identified in the accompanying Schedule of Findings and Questioned Costs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and Major State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2016.



The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Report on Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on each major federal program or major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated March 24, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements.

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

**Report on Schedule of Expenditures of Federal Awards and State Financial Assistance
Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General (Cont.)**

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 24, 2017



INDEPENDENT ACCOUNTANT'S REPORT

Honorable Mayor and
Members of the City Council
City of Orlando, Florida

We have examined the compliance of the City of Orlando, Florida (the "City") with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2015.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 11, 2016



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Orlando, Florida (the "City") as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated March 11, 2016.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedule

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*, Schedule of Findings and Questioned Costs, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 11, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.





Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Financial Condition Assessment

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services, pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Mayor, City Council, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 11, 2016



TAB 6 – PRICE PROPOSAL FORM

PART V RFP SUBMITTALS

5.1 PRICE PROPOSAL FORM

Respondents are to make no changes to the table below and are to fill the table out completely. Values must be provided for all categories below and must represent the total cost for each service in Group A. The Total Fee for each audit period includes all out-of-pocket expenses for firm personnel (e.g. travel, lodging, copies, etc.). As specified in Section 1.21 additional work shall be included reflecting hourly rates in Group B. The estimated (projected) hours by type of staff member for the first year (2017) of the audit must be included in Group C.

GROUP A			
ITEM #	AUDIT PERIOD ENDING	TOTAL PROJECTED HOURS	TOTAL FEE
Initial 3 Year Term			
1	September 30, 2017	650	\$ 62,500
2	September 30, 2018	650	\$ 64,375
3	September 30, 2019	650	\$ 66,305
Four Additional One-Year Contract Extensions			
4	September 30, 2020	650	\$ 68,295
5	September 30, 2021	650	\$ 70,345
6	September 30, 2022	650	\$ 72,455
7	September 30, 2023	650	\$ 74,625
OVERALL TOTAL (Items 1-7)		4,550	\$ 478,900

Company Name Moore Stephens Lovelace, P.A. (MSL)



GROUP B		
ITEM	DESCRIPTION	HOURLY RATE
8	Partner	\$ 240-290
9	Manager	\$ 180-230
10	Supervisory Staff	\$ 120-150
11	Staff	\$ 75-95

GROUP C		
ITEM	PROJECTED 2017 AUDIT	ESTIMATED HOURS
12	Partner	75
13	Manager	140
14	Supervisory Staff	205
15	Staff	230
TOTAL		650

Preferred method of payment is by the City Purchasing Card (VISA). **DO YOU ACCEPT THE PURCHASING CARD (VISA)?** Yes No

The Respondent certifies that as a condition of bidding he will hold good his proposal prices for a minimum period of ninety (90) calendar days from the date proposals are opened.

The City of Stuart offers proposers who commit to accepting the Purchasing Card, noted above in the Proposal Form as payment method, a one percent (1%) reduction in their overall price for evaluation purposes only. When evaluating prices submitted by proposers in response to this solicitation, the total offered price of a proposer committed to accepting the Purchasing Card will be reduced by one percent. The resulting number is then compared to the other proposers' offered price. If the committed proposer is awarded the contract, the award will be at the negotiated contract price. City shall not pay any service charges or fees for Pcard transactions.

Company Name Moore Stephens Lovelace, P.A. (MSL)



TAB 7 – INSURANCE

MSL agrees to obtain (prior to award) insurance with coverages as detailed in Section 5.2 of the RFP.

ACORD **CERTIFICATE OF LIABILITY INSURANCE** DATE (MM/DD/YYYY)
2/27/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 200 S. Orange Avenue, Suite 1350 Orlando FL 32801	CONTACT NAME: Kelly Nace, CRM PHONE (A/C, H/O, E/O): FAX (A/C, H/O): E-MAIL ADDRESS: Kelly_Nace@sjg.com														
INSURED: MOORSTE-01 Moore Stephens Lovelace PA 255 S. Orange Ave, Suite 800 Orlando, FL 32801	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER a. Depositors Insurance Company</td> <td>42587</td> </tr> <tr> <td>INSURER b. Allied Insurance Company of America</td> <td>10127</td> </tr> <tr> <td>INSURER c. Travelers Casualty and Surety Compa</td> <td>19038</td> </tr> <tr> <td>INSURER d. Travelers Indemnity Co of America</td> <td>25666</td> </tr> <tr> <td>INSURER e.</td> <td></td> </tr> <tr> <td>INSURER f.</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER a. Depositors Insurance Company	42587	INSURER b. Allied Insurance Company of America	10127	INSURER c. Travelers Casualty and Surety Compa	19038	INSURER d. Travelers Indemnity Co of America	25666	INSURER e.		INSURER f.	
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INSURER d. Travelers Indemnity Co of America	25666														
INSURER e.															
INSURER f.															

COVERAGES CERTIFICATE NUMBER: 539620736 REVISION NUMBER:

THIS IS TO CLARIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

LINE	TYPE OF INSURANCE	ADDL SUBS	POLICY NUMBER	POLICY EFF DATE (MM/YY)	POLICY EXP DATE (MM/YY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> RIG <input type="checkbox"/> LOC <input type="checkbox"/> OTHER		ACP 3028032675	12/16/2016	12/13/2017	EACH OCCURRENCE \$1,000,000 WAIVER TO RELATED PREMISES (E.O. OCCURRENCE) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPOD AGG \$2,000,000 \$
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED <input type="checkbox"/> AUTOES ONLY <input checked="" type="checkbox"/> NON-OWNED <input checked="" type="checkbox"/> AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-SCHEDULED AUTOS ONLY		ACP RAPD 3006430745	12/15/2016	12/15/2017	COMBINED SINGLE LIMIT (E.O. OCCURRENCE) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE	ACP CAP 3036438745	12/15/2016	12/15/2017	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROVISIONS PERTAINING RESPECTIVE CITY, STATE AND FEDERAL LAWS (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N M/A	INL03666T38978 ITCHLUS-3869T77-A17	3/1/2017 3/1/2017	3/1/2018 3/1/2018	<input checked="" type="checkbox"/> EMP STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER Evidence of Insurance 255 S Orange Avenue, Suite 800 Orlando FL 32801 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/31/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements.

PRODUCER Affinity Insurance Services 159 E. County Line Road Hatboro, PA 19040	INSURER(S) Continental Casualty Company INSURER # 20442
INSURED Moore Stephens Lovelace, PA 255 S. Orange Avenue, Suite 600 Orlando, FL 32801-3428	INSURER(S) Continental Casualty Company INSURER # 20442

CLASS	TYPE OF INSURANCE	POLICY NUMBER	EFFECTIVE DATE	EXPIRES	LIMITS
	COMMERCIAL GENERAL LIABILITY CLASS MADE: <input type="checkbox"/> OCCUR				EACH OCCURRENCE BODILY INJURY PROPERTY DAMAGE MEDICAL EXP. (Any one person) PERSONAL & ADV. INJURY GENERAL AGGREGATE PRODUCT - CONSUMER AGG.
	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTO ONLY HIRED AUTO ONLY NON-OWNED AUTO ONLY				BODILY INJURY PROPERTY DAMAGE MEDICAL EXP. (Any one person)
	UMBRELLA LIAB EXCESS LIAB OCCUR CLAIMS MADE				EACH OCCURRENCE AGGREGATE
	WORKERS COMPENSATION AND EMPLOYERS LIABILITY EMPLOYER'S LIABILITY EMPLOYER'S LIABILITY EMPLOYER'S LIABILITY EMPLOYER'S LIABILITY EMPLOYER'S LIABILITY				PER STATUTE PER STATUTE PER STATUTE PER STATUTE PER STATUTE
A	Professional Liability	APL-188063463	07/31/2016	07/31/2017	\$5,000,000 per claim \$5,000,000 annual aggregate

CERTIFICATE HOLDER 	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
-----------------------------------	---

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TAB 8 – REFERENCES

Listed below are municipal governmental entity clients whose audits are similar in complexity to the technical specifications contained in the City’s RFP.

Client Name, Hours	Scope of Work, Dates of Contract	Engagement Partners	Contact Information
City of Orlando (1,500 Hours)	Annual Audit 2013 - 2016	Bill Blend , Shareholder Dan O’Keefe , Technical Reviewer	William Spinelli Controller (407) 246-2165 william.spinelli@cityoforlando.net
City of Sanford (645 Hours)	Annual Audit 2008 - 2017	Dan O’Keefe , Shareholder Bill Blend , Technical Reviewer	Cynthia Lindsay Finance Director (407) 688-5026 cynthia.lindsay@sanfordfl.gov
City of Pembroke Pines - Commission Auditor (700 hours)	Annual Audit 2010 - 2016	Dan O’Keefe , Shareholder Bill Blend , Technical Reviewer	Aner Gonzalez Assistant City Manager (954) 431-4884 agonzalez@ppines.com
City of Casselberry (500 hours)	Annual Audit 2005 - 2020	Bill Blend , Shareholder Dan O’Keefe , Technical Reviewer	Rebecca Bowman Finance Director (407) 262-7700 rbowman@casselberry.org
City of Altamonte Springs (450 hours)	Annual Audit 2005 - 2016	Dan O’Keefe , Shareholder Bill Blend , Technical Reviewer	Mark DeBord, Finance Director 225 Newburyport Avenue (407) 571-8093 mbdebord@altamonte.org



Letters of Recommendation



City of Casselberry
Finance Department

95 Triplet Lake Drive, Casselberry, Florida 32707-3282 • Telephone (407) 262-7700, Ext. 1139
Fax (407) 262-7746 • Email rbowman@casselberry.org

August 24, 2015

To Whom It May Concern:

Moore Stephens Lovelace, P.A. (MSL) was first engaged to perform the audit for the City of Casselberry for fiscal year 2006 and has continued to be the auditors for the City to this date.

The audit engagements are well planned with capable staff. The demeanor of the audit team is always pleasant and professional. Questions raised are well considered and issues are subject to thoughtful discussion between the City and MSL Managers. The firm has demonstrated great depth to perform special engagements for the City of Casselberry which pertain to Single Audit and the City's Community Redevelopment Agency (CRA).

MSL works hard to make the City aware of changes in standards and is always available to discuss compelling matters. A constructive and beneficial relationship is maintained year round which makes MSL a valuable resource for Casselberry.

It is my pleasure to provide this letter for reference for Moore Stephens Lovelace, P.A. The City of Casselberry looks forward to continuing to work with MSL into the future.

Sincerely,

Rebecca Bowman
Finance Director

www.casselberry.org



August 23, 2015

To Whom it May Concern:

I am writing on behalf of Moore Stephens Lovelace, P.A. ("MSL") with whom we have had a professional relationship with since 2013. In that time, MSL has consistently put our needs first and completed everything that was asked of them—they lived up to their promise to "exceed our expectations!"

I cannot say enough about the terrific work MSL has produced. William Blend and the team at MSL possess a thorough knowledge of accounting and financial issues that affect nonprofit organizations like ours. Over time we have developed a close relationship with Moore Stephens Lovelace, P.A. and have come to view them as an integral part of our operations. This type of relationship is not easy to find in our competitive environment. They have met all our requested deadlines and have provided valuable management comments to improve our internal control structure. The demeanor of the MSL team is always pleasant and professional.

We look forward to continuing our relationships with MSL.

Sincerely,

Kathy Oster

Kathy Oster
Accounting Manager

City of Dunedin, PO Box 1348, Dunedin, Florida 34697 - 727-298-3000 - dunedingov.com
"Equal Opportunity Employer"



August 20, 2015

To Whom It May Concern:

As the Finance Director of the City of Leesburg, it is with pleasure that I provide this letter of recommendation for Moore Stephens Lovelace, P.A. (MSL). The City has been a client of MSL since 2010. During this time, MSL has exceeded all expectations with the outstanding quality of their Certified Public Accounting services. I would like to highlight the following areas related to our experience regarding MSL'S services:

- Delivery and presentation of financial statements and other reports within our timeframe;
- Consistent follow-throughs on their promises;
- Prompt and thorough response to questions and requests;
- Significant involvement from their leadership on our account;
- Issues and findings are communicated timely and without surprises;
- A good working relationship is maintained with the City;

We look forward to continuing our relationship with MSL, as they have repeatedly proved to be ethical, hardworking and trustworthy. Please feel free to call me with any additional questions you may have about Moore Stephens Lovelace, P.A.

Sincerely,


William Spinelli
Finance Director



Post Office Box 400030 • Leesburg, Florida 34740-0030
352/728-0700 • Fax 352/228-0734 • TDD 352/728-1138
- AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

TAB 9 – SUBMITTAL FORMS & REQUESTED INFORMATION

City and County Business Tax Receipts

CITY OF ORLANDO
ECONOMIC DEVELOPMENT
PERMITTING SERVICES
LOCAL BUSINESS TAX RECEIPT
(Formerly known as "Business License," changed per state law HB1268-2008)

Issued Date: 10/01/2016
Expiration Date: 09/30/2017

Business Name:
MOORE STEPHENS LOVELACE P A
255 S ORANGE AVE
SUITE 600
ORLANDO, FL 32801

Business Type(s):
PROFES 8011 PROFES FIRM OFFICE



2016-2017

NOTICE-THIS RECEIPT ONLY EVIDENCES PAYMENT OF THE LOCAL BUSINESS TAX PURSUANT TO CH. 205, FLORIDA STATUTES. IT DOES NOT PERMIT THE HOLDER TO OPERATE IN VIOLATION OF ANY CITY, STATE, OR FEDERAL LAW. CITY PERMITTING MUST BE NOTIFIED OF ANY MATERIAL CHANGE TO THE INFORMATION FOUND HEREIN BELOW. THIS RECEIPT DOES NOT CONSTITUTE AN ENDORSEMENT OR APPROVAL OF THE HOLDER'S SKILL OR COMPETENCY.

Case Number: BUS-0042963

Business Owner:
MOORE STEPHENS LOVELACE P A

Business Location:
255 S Orange Ave 6th Fl

Fees:

Administration Fee	20.00
2017 Business Tax	
Late Payment Penalty-OCT	
Late Payment Penalty-NOV	28.26
Total Paid	

Scott Randolph, Tax Collector **Local Business Tax Receipt** **Orange County, Florida**

As local business tax receipt is in addition to and not in lieu of any other tax required by law or municipal ordinance. Businesses are subject to regulation of zoning, health and other local authorities. This receipt is valid from October 1 through September 30 of receipt year. Delinquent penalty is added October 1.

	2016	EXPIRES	9/30/2017	5000-0973580
--	-------------	----------------	------------------	---------------------

5000 BUSINESS OFFICE	\$50.00	35 EMPLOYEES	
----------------------	---------	--------------	--

TOTAL TAX	\$50.00
PENALTIES	\$7.50
PREVIOUSLY PAID	\$57.50
TOTAL DUE	\$0.00



MOORE STEPHENS LOVELACE PA
MOORE STEPHENS LOVELACE PA
255 S ORANGE AVE #600
ORLANDO FL 32801

255 S ORANGE AVE #600
A - ORLANDO, 32801

PAID: \$57.50 2504-02533835 11/28/2016

This receipt is official when validated by the Tax Collector.

54 |

Form W-9

<p>Form W-9 Rev. December 2014 Department of the Treasury Internal Revenue Service</p>	<p>Request for Taxpayer Identification Number and Certification</p>	<p>Give Form to the requestor. Do not send to the IRS.</p>																				
<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Moore Stephens Lovelace, P.A.</p>																						
<p>2 Business name/disregarded entity name, if different from above</p>																						
<p>3 Check appropriate box for federal tax classification; check only one of the following seven boxes:</p> <p> <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (S-C corporation, S-S corporation, P-partnership) ▶ _____ <small>Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.</small> <input type="checkbox"/> Other (see instructions) ▶ _____ </p>																						
<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3). Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>Applies to entities registered outside the U.S.</small></p>																						
<p>5 Address (number, street, and apt. or suite no.) 255 S. Orange Avenue, Suite 600</p>		<p>Requestor's name and address (optional)</p>																				
<p>6 City, state, and ZIP code Orlando, FL 32801</p>																						
<p>7 List account number(s) here (optional)</p>																						
<p>Part I Taxpayer Identification Number (TIN)</p> <p>Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.</p> <p><small>Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.</small></p>																						
<p>Social security number</p> <table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 10%;"></td> </tr> </table>												<p>OR</p> <p>Employer identification number</p> <table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 10%;"></td> </tr> </table>										
<p>Part II Certification</p> <p>Under penalties of perjury, I certify that:</p> <ol style="list-style-type: none"> The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and I am a U.S. citizen or other U.S. person (defined below); and The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. <p>Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.</p>																						
<p>Sign Here Signature of U.S. person ▶ <i>Salvatore J. ...</i> Date ▶ 5/11/17</p>																						
<p>General Instructions</p> <p>Section references are to the Internal Revenue Code unless otherwise noted.</p> <p>Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/irb.</p> <p>Purpose of Form</p> <p>An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:</p> <ul style="list-style-type: none"> Form 1099-INT (interest earned or paid) Form 1099-DIV (dividends, including those from stocks or mutual funds) Form 1099-MISC (various types of income, prizes, awards, or gross proceeds) Form 1099-B (stock or mutual fund sales and certain other transactions by brokers) Form 1099-S (proceeds from real estate transactions) Form 1099-K (merchant card and third party network transactions) <ul style="list-style-type: none"> Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition) Form 1099-C (cancelled debt) Form 1099-A (acquisition or abandonment of secured property) <p>Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.</p> <p>If you do not return Form W-9 to the requestor with a TIN, you might be subject to backup withholding. See <i>What is backup withholding?</i> on page 2.</p> <p>By signing the filled-out form, you:</p> <ol style="list-style-type: none"> Certify that the TIN you are giving is correct (or you are waiting for a number to be issued). Certify that you are not subject to backup withholding, or Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' shares of effectively connected income, and Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See <i>What is FATCA reporting?</i> on page 2 for further information. 																						
<p>Oct. No. 10231X</p>		<p>Form W-9 (Rev. 12-2014)</p>																				



5.3 REQUEST FOR INFORMATION TO SUBMIT WITH IRS W-9 FORM

Federal Income Tax Law requires a Form 1099 with a valid taxpayer identification number to be filed for payments made in the course of conducting a trade or business. Further, these payments may be subject to Backup Federal Income Tax Withholding for all payees who have not submitted a correct Federal Tax Identification Number at the time of payment.

Please read this form and complete the information thereon before signing and **returning with a copy of your IRS W9 Form**. If you are a corporation, we will not issue you a Form 1099 (Reference: 1.6401-3(c)). However, kindly return this form to document your corporate status.

In order to avoid the possibility of future payments being held subject to Backup Withholding at a rate of 31%, please complete the form printed below and return this letter to the above address or E-mail request to: mclst@toniccpa.com.

VENDOR NAME Moore Stephens Lovelace, P.A. (MSL)
 DBA: Moore Stephens Lovelace, P.A.
 CORPORATE ADDRESS: 255 S. Orange Ave., Suite 600
 CITY: Orlando STATE: FL ZIP: 32801
 TELEPHONE: (407) 740-5400 FAX: (407) 740-0012 ALTERNATE PHONE: () _____

"THE ABOVE INFORMATION WILL BE USED FOR PURCHASE ORDERS"

REMIT TO ADDRESS: 255 S. Orange Ave., Suite 600
 CITY: Orlando STATE: FL ZIP: 32801
 TELEPHONE: (407) 740-5400 FAX: (407) 740-0012 ALTERNATE PHONE: () _____

COMPANY CONTACT NAME: William Blend, CPA, CFE
 COMPANY/CONTACT EMAIL ADDRESS: wblend@mslcpa.com

TYPE OF ORGANIZATION

1. Corporation 3. Sole Proprietor 5. Government Agency
 2. Partnership 4. Individual 6. Other: _____

1099 REPORTING STATUS (Check One): Yes No

TAXPAYER IDENTIFICATION NUMBER:

Employer Identification Number: 59 - 3070669 (Or) Social Security Number: _____

Print name of Taxpayer if using SS#: _____

Under penalties of perjury, I certify that this statement is accurate and complete.

Signature: William Blend Title: Shareholder

Date: 7-5-19 Phone: (407) 740-5400



5.4 SWORN STATEMENT PURSUANT TO SECTION 287.133 (3) (a), FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to CITY OF STUART, MARTIN COUNTY, FLORIDA
 by: William Blend, CPA, CFE Shareholder
(print individual's name and title)
 for: Moore Stephens Lovelace, P.A. (MSL)
(print name of entity submitting sworn statement)
 whose business address is: 255 S. Orange Ave., Suite 600, Orlando, FL 32801
 and (if applicable) its Federal Employer Identification Number (FEIN) is: 59-3070669
 (If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement:
 _____.)

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentations.

3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means:
 - a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, Shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relations to the entity submitting this sworn statement. (Indicate which statement applies).



- Neither the entity submitting this sworn statement, nor any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.
- The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.
- The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list (attach a copy of the final order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

William Island
Signature

Sworn to and subscribed before me this 5th day of July, 2017.

Personally known OR Produced Identification _____

Type of Identification _____

Notary Public - State of Florida Michele Alexander

My Commission Expires: 7-25-18

SEAL OR STAMP





TAB 10 – PROHIBITION NON-COLLUSION/CONFLICT OF INTEREST DISCLOSURE STATEMENTS

Statement of Non-Collusion

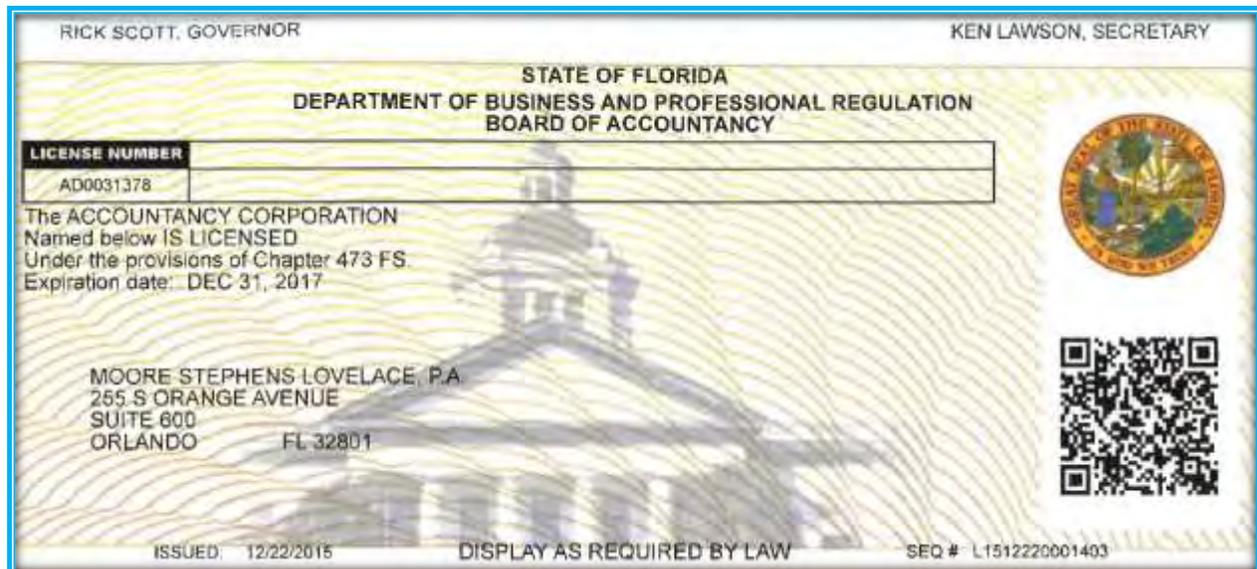
MSL certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this solicitation the information provided has been arrived at independently, without consultation, communication, or agreement with any other respondent or with any competitor for the purpose of restricting competition, or in any other way influencing the competitive arena.”

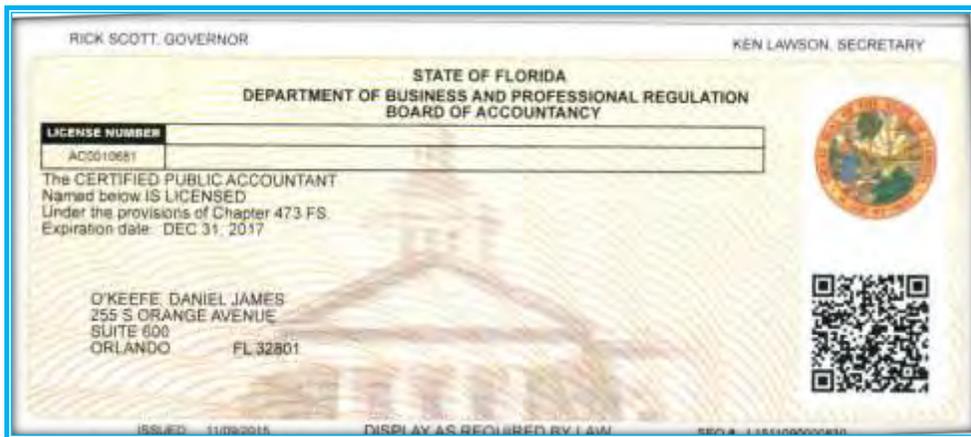
Conflict of Interest

MSL advises the City that there are no known potential conflicts of interest, real or apparent, that MSL, employee, officer, or agent of MSL may have due to ownership, other clients, contracts or interests associated with this project.

Licenses and Certifications

MSL and all assigned professional staff are properly licensed to practice in Florida and are in good standing with the Florida Board of Accountancy. All of MSL’s professional staff who work on governmental engagements maintain the proper amount of continuing education to conduct audits in accordance with *Government Auditing Standards*.









TAB 11 – OPTIONAL INFORMATION

MSL Professional Development Program

All members of MSL’s governmental team and all audit staff members assigned to this engagement, regardless of their individual roles of responsibility, are in compliance with the CPE requirements set forth in GAGAS issued by the Comptroller General of the United States. In addition, we are in compliance with the applicable provisions of the Florida Statutes that require CPAs to meet CPE requirements prior to proposing on governmental audit engagements.



It is our objective to provide our professional staff at least 50 hours of comprehensive CPE each year. This is accomplished by attending seminars throughout the United States and is reinforced through in-house training. Our training programs are often open to our clients at no charge, so you can also fulfill some of your CPE requirements throughout the year. **Our Firm offers 16-24 hours of CPE during the year to our staff and clients at no charge.**

In addition to attending continuing education programs, several members of our professional staff have been recognized for their knowledge and expertise in our profession. Members of the engagement team have taught governmental accounting and auditing for the AICPA, FICPA, FGFOA, and GFOA. Additionally, they have developed CPE sessions specific to client needs and have participated in the instruction of these sessions.

Bill Blend is often asked to speak at training sessions for the FICPA, FGFOA and at various MSL training events. Bill is one of only a few CPAs in the state who is qualified and teaches the FICPA required ethics class, including a class specifically developed by the FICPA for governmental ethics. As a Certified Fraud Examiner, Bill also teaches fraud sessions for the FGFOA, as well as at client training sessions.

Dan O’Keefe is recognized as one of the top public sector instructors in the state of Florida and is also well-known on a national level. He has written numerous courses on various subjects related to governmental accounting and auditing. In addition, he is an adjunct professor at the University of Central Florida and the University of West Florida.





Bill Blend is a member of the FGFOA’s Technical Committee and the FICPA’s State and Local Government Committee. Dan O’Keefe is a former member of the AICPA’s State and Local Government Expert Panel. In addition, Dan was instrumental in developing the “Florida Single Audit Act”. Involvement in these associations provides your shareholders with current knowledge of governmental accounting and reporting issues. This is important to the City because Bill as the engagement shareholder and Dan as the technical reviewer will always be fully updated on the applicable governmental accounting and reporting issues affecting the City.

MSL has significant experience working with clients who have participated in the **Certificate of Achievement for Excellence in Financial Reporting** program. In fact, we believe, MSL is second to none in this area. The vast majority of our clients participate in the program, and MSL has helped several clients receive initial certification.

MSL has the capability and experience to assist the City in complying with changes in reporting requirements to remain in conformity with Generally Accepted Accounting Principles, including technical assistance in the preparation of new statements and footnote disclosures. This capability will help to ensure that the City continues its proud history of obtaining the Certificate of Achievement for Excellence in Financial Reporting.

The bottom line is that MSL is fully committed to ensuring that the City will continue to receive the GFOA Certificate of Achievement for Excellence in Financial Reporting.



Addendum #1



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
 Department of Financial Services
 Procurement & Contracting Services Division

Lenora Darden, CPPB
 Procurement Manager
 purchastags@ci.stuart.fl.us

Telephone (772) 288-5308
 Fax: (772) 600-1202
 www.cityofstuart.us

Date: June 29, 2017
 To: All Prospective Proposers
 Subj: Addendum #1 to RFP# 2017-173, Independent Auditing Services

ADDENDUM #1

A. The purpose of this addendum is to respond to questions submitted by potential proposers for clarification of the RFP as follows:

1. **Question:** What was the audit fees paid for FY 2016 and did that include any additional billing?

Answer: FY 16/17 \$81,780. includes single audit. No additional billings.

2. **Question:** What were the audit fees for each of the last three fiscal years?

Answer:

	Audit	Single Audit	Total
FY 2017	75,033	8,157	83,190
FY 2016	73,761	8,019	81,780
FY 2015	72,174	7,846	80,020

3. **Question:** If additional billings were required, what were the services related?

Answer: No additional billings.

4. **Question:** Who will be the members of the selection committee?

Answer: City staff

5. **Question:** Will the City expect to be subject to a Florida Single Audit for FY 2017 and beyond?

Answer: No.

6. **Question:** Does the City expect to meet the requirements for a Federal Single Audit in 2017?

Answer: Yes.

7. **Question:** Can the current auditor respond to this RFP?

Answer: Yes.



8. **Question:** For how many years have the current auditors been contracted?
Answer: 5 Years = 1 yr with 4 (1) year renewals March 26, 2012 through March 25, 2017.
9. **Question:** How long has the current auditor been performing this audit?
Answer: Fiscal year 2006 to current.
10. **Question:** Could you please provide a copy of the prior auditors contract with the City?
Answer: The Contract with Cherry Bekaert LLP is available on the City website: http://www.cityofstuart.us/index.php/component/easyfolderlistingpro/?view=download&format=raw&data=cNpNkMFqWzAORH8I7L3YSiFp16fS0nOgHxAUe-0s2LJZrZxAYb9HsmzakzQivZmVLBqDvx4PCO3YNvRQRNFF4MF25Auv03BcXE8vIkFoIKf6evbFx_OBdvvPken7AK7bvdDMnNNivW2Vp-iYioFT5LDs4VObkddIK9_xbH3fF68pN4y6uxASZYlv3DZ5OYqxjJDQv1k9frvVmRb7mljo9vXZv9ijEnvFYHuuu6mp1276T6xkN-CTevvqra-pmdDdVnc90glzUy39bMQnFWcY8_jCZfNaqs.
11. **Question:** Will the City personnel be preparing the City CAFR?
Answer: City staff prepares all the schedules and notes, the external auditor has compiled all the schedules into one document.
12. **Question:** Section 2.1 of the RFP states the requirement of two external review reports and Section 3.2 states the requirement of the most recent external review. Does the City prefer one or two?
Answer: One.
13. **Question:** The RFP makes reference to payment method of City Purchasing Card (VISA). If the proposer does not accept visa credit payment, will this negatively impact our bid?
Answer: No.
14. **Question:** Are there any material current events that will affect the City during the 9/30/17 fiscal year (lawsuits, debt issuances, changing software, new programs, loss/gain of major funding source)?
Answer: No material changes for financial statements.
15. **Question:** When has the interim and year-end fieldwork historically run? Are there any desired changes in that timing??
Answer: The interim work has been done in January for the last two years. A change is needed interim work should be complete by November 30.
16. **Question:** Have there been any significant changes in internal controls since the prior audit?
Answer: No.
17. **Question:** Has there been any significant turnover in management or key Finance staff since the prior audit?
Answer: The City Manager will retire on July 7. No changes to Finance Staff.

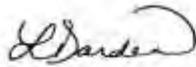


18. **Question:** Has there been any significant change in the amount of federal or state financial assistance expended?
Answer: No
19. **Question:** Has the City issued any new debt during the current fiscal year?
Answer: No
20. **Question:** What is the reasoning for the audit RFP?
Answer: *The prior contract has expired.*
21. **Question:** Does the City manage its own IT environment?
Answer: Yes
22. **Question:** Are all of the applications supported centrally, or do various units within the City manage the applications through a decentralized process?
Answer: *Financial systems are centralized and integrated.*

B. Please see the attached table with respect to applications used for financial reporting.

All other terms and conditions of this RFP remain unchanged.

This Addendum shall be considered an integral part of the RFP and Contract Documents and this Addendum must be acknowledged, signed and returned with your submittal **by 2:30 p.m. on July 19, 2017**. Failure to comply will result in disqualification of your submittal. All inquiries must be in accordance with Item 1.6 of the RFP.



Lenora Darden, CPPB
Procurement Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #1 to RFP# 2017-173, Independent Auditing Services.


Signature

Moore Stephens Lovelace, P.A. (MSL)

Firm

7.5.17
Date

wblend@mslcpa.com

Email Address

System #	System Function	Name of System	Managed-in House or Outsourced	Purchased Application or Developed In-house	Are customizations made to the application?	Operating System	Database	Data Center Location
1	General Ledger	Superion – Finance Plus		Purchased	No			City of Stuart
2	Accounts Payable	Superion – Finance Plus		Purchased	No			City of Stuart
3	Accounts Receivable	Superion – Community Plus		Purchased	No			City of Stuart
4	Revenue (Fare collection)							
5	Payroll	Superion – Finance Plus		Purchased	No			City of Stuart

EXHIBIT B

"ORIGINAL RFP AS ISSUED BY CITY, INCLUDING ALL ADDENDA"



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Department of Financial Services
Procurement and Contracting Services Division

Lenora Darden, CPPB
Procurement Manager
purchasing@ci.stuart.fl.us

Telephone (772) 288-5308
Fax: (772) 600-0134
www.cityofstuart.us

LEGAL NOTICE FOR RFP #2017-173

INDEPENDENT AUDITING SERVICES

The Stuart City Commission, Stuart, Florida is soliciting qualified Certified Public Accounting firms to negotiate for the audit of the City's financial statements for the fiscal years 2017 through 2023 in accordance with the requirements of Section 218.39, Florida Statutes, that each local government entity shall have an annual financial audit of its accounts and records completed within nine (9) months of each fiscal year-end. This agreement will be awarded for an initial three (3) year period with the possibility of four additional one-year contract extensions.

A complete RFP package can be requested from Onvia DemandStar at <http://www.demandstar.com>, or by calling (800) 711-1712. A complete RFP package may also be obtained by contacting the City's Procurement Office at 772-288-5320 or by email at purchasing@ci.stuart.fl.us. The City of Stuart is not responsible for the content of any RFP package received through any 3rd party service or any source other than DemandStar by Onvia or the City of Stuart Procurement Division.

In compliance with the Americans with Disabilities Act (ADA), anyone desiring to attend this proposal opening who needs a special accommodation should contact the City's ADA coordinator at 772-288-5306 or TDD at 772-288-5302 at least 48 hours in advance of the meeting, excluding Saturday and Sunday.

Firms desiring to provide the services described above shall submit one (1) original and six (6) copies with **one (1) electronic copy (PDF format preferred) on a CD or flash drive** of their proposals, containing all of the required information **no later than 2:30 pm, July 19, 2017**. Submittals will be accepted by hand delivery overnight delivery or by U.S. Mail to Procurement and Contracting Services Division, 121 SW Flagler Avenue, Stuart, Florida 34994. Submittals received after that date and time will not be accepted or considered and will be retained unopened. Submittals will be opened as soon as practicable thereafter.

Mail/Overnight/Hand Deliver Submittal Responses to:
Stuart City Hall
Procurement & Contracting Services Office
121 S.W. Flagler Avenue
Stuart, Florida 34994

Mark outside of envelope: RFP #2017-173 "Independent Auditing Services"

Publish Date: June 14, 2017

Stuart City Commission
City of Stuart, Florida

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PART I GENERAL INFORMATION

1.1 OVERVIEW

This Request for Proposal (RFP) provides guidelines for the submission of proposals in response to this solicitation for the City of Stuart, a Florida municipality located in Martin County, Florida, for qualified Certified Public Accounting firms, hereinafter referred to as the auditor, to express an opinion on the fair presentation of its financial statements for the fiscal years 2017 through 2023 in accordance with the requirements of Section 218.39, Florida Statutes, which requires each local government entity to have completed within nine (9) months of each fiscal year-end, an annual financial audit of its accounts and records. The audit shall be conducted for the purpose of forming an opinion on the basic financial statements taken as a whole and to determine whether operations were conducted in accordance with legal and regulatory requirements, and as described herein.

1.2 DEFINITIONS

"Proposer" shall mean Contractors, consultants, respondents, organizations, firms, or other persons submitting a response to this Request for Proposal.

1.3 ISSUING OFFICE AND LOCATION OF PROPOSAL OPENING

Office of Procurement and Contracting Services Division
City of Stuart
121 S.W. Flagler Avenue
Stuart, Florida 34994

1.4 CONTRACT AWARD

The City of Stuart anticipates entering into a contract with the proposer who submits the proposal judged by the City to be most advantageous. The City anticipates awarding one contract, but reserves the right to award to more than one, if it's in the City's best interests to do so. The proposer understands that this RFP does not constitute an offer or a contract with the City. A contract shall not be deemed to exist, and is not binding, until proposals are reviewed and accepted by the City and executed by all parties. A sample Contract is attached to this RFP. The City anticipates that the final contract will be in substantial conformance with the Sample Contract; nevertheless, proposers are advised that any contract which may result from the RFP is subject to negotiation and may deviate from the Sample Contract, if in the City's opinion, such deviation is reasonable, justifiable, and serves the best interest of this procurement and the City.

In the event the parties are unable to negotiate terms acceptable to the City, the City may determine to enter negotiations with the second, most responsive and responsible proposer determined by the selection committee, or it may re-solicit proposals.

The City reserves the right to reject all proposals, to waive non-material, technical variances in the proposal, to abandon the project or to solicit and re-advertise for other proposals. The City may in its discretion waive any informalities and irregularities contained in a proposal or in the manner of its submittal and award a contract thereafter.

1.5 DEVELOPMENT COSTS

Neither the City, nor its' representatives shall be liable for any expenses incurred in connection with preparation of a response to this RFP. Proposers should prepare their proposals simply and economically, providing a straightforward and concise description of the proposer's ability to meet the requirements of the RFP.

1.6 INQUIRIES

The City will not respond to oral inquiries. Interested proposers may contact the Procurement Office, regarding questions about the proposal at email: purchasing@ci.stuart.fl.us or facsimile: (772) 600-0134. The Procurement Office will also receive written requests for clarification concerning the meaning or interpretation of this RFP, until (14) days prior to the submittal date. Questions shall be faxed or emailed with reference to the RFP number. All proposers are expected to carefully examine the proposal documents. Any ambiguities or inconsistencies should be brought to the attention of the City through written communication with the City prior to opening of the proposals.

Respondents may not contact any member of the selection committee, City employee or City elected official during this solicitation process. All questions or requests for clarification must be routed through the Procurement Office.

1.7 TIMETABLES

The City and proposers shall adhere to the following schedule in all actions concerning this RFP:

- A. On June 14, 2017 the City issues the RFP.
- B. From June 14, 2017 to July 5, 2017, the City will receive and answer written inquiries received by fax, mail or email.
- C. The City must receive the proposals by the closing time and date of 2:30 PM on July 19, 2017.
- D. The City will review and evaluate the proposals in a timely manner.
- E. Short listed firms may be scheduled for presentations/clarifications as detailed in 4.1 below.
- F. The City may enter into a contract after obtaining appropriate approvals and conducting negotiations. The City will notify all unsuccessful proposers.
- G. Anticipate effective date of the Contract for these services is intended on or about August 30, 2017.

1.8 DELAYS

The City may delay scheduled due dates, if it is to the advantage of the City to do so. The City will notify proposers of all changes in scheduled due dates by written addenda submitted to the City.

1.9 PROPOSAL SUBMISSION AND WITHDRAWAL

The City will receive all proposals at the following addresses:

**Stuart City Hall
Procurement & Contracting Services Division
121 S.W. Flagler Avenue
Stuart, Florida 34994**

To facilitate processing, please mark the outside of the envelope as follows: **RFP #2017-173** "Independent Auditing Services" The envelope shall also include the proposer's return address.

Respondents shall submit one (1) original and six (6) copies of the proposal submittal with each marked "COPY", and one (1) **electronic copy (PDF format preferred) on a CD or flash drive** in a sealed envelope marked as noted above. A proposer may submit the proposal by personal delivery, mail, or express shipping service.

***THE CITY MUST RECEIVE ALL PROPOSALS BY
2:30 P.M. JULY 19, 2017.***

Each proposal shall be prepared simply and economically, providing a straightforward, concise delineation of the firm's capabilities to satisfy the requirements of the Request for Proposal. The emphasis in each proposal must be on completeness and clarity of content. In order to expedite the evaluation of proposals, it is essential that firms follow the format and instructions contained herein. If the firm so wishes, the proposal may be accompanied by brochures, promotional materials or displays properly identified.

Due to the irregularity of mail service, the City cautions proposers to assure actual delivery of mailed or hand-delivered proposals directly to the City's Procurement Office, as specified above, prior to the deadline set for receiving proposals. Telephone confirmation of timely receipt of the proposal may be made by calling (772) 288-5320, before proposal closing time. A proposal received by the City Procurement Office after the established deadline will be retained unopened.

Proposers may withdraw their proposal submissions by notifying the City in writing at any time prior to the deadline for proposal submittal. Proposers may withdraw their submissions in person or by an authorized representative. Proposers and authorized representatives must provide the letter of withdrawal, picture identification, proof of authorization (in the case of authorized representatives), and provide the City with a signed receipt for the withdrawn proposal. After the deadline, proposals once opened, become a public record of the City and are subject to the provisions of the Florida Public Records Law. As such they are subject to public disclosure in accordance with Chapter 119, Florida Statutes.

1.10 ADDENDA

If revisions become necessary, the City will provide written addenda to all respondents who received the Request for Proposals. All addenda issued by the City of Stuart in regard to this RFP shall be acknowledged. Failure to acknowledge all addenda may result in disqualification.

The City will make every effort to notify registered Proposers by email that an addendum has been made to the RFP. The City shall not be responsible for providing notice of addenda to potential proposers who receive a RFP package from sources other than the City or DemandStar by Onvia.

All addenda issued by the City must be acknowledged within the proposal at the time it is submitted to the City.

1.11 EQUAL OPPORTUNITY

The City recognizes fair and open competition as a basic tenet of public procurement and encourages participation by minority and women owned business enterprises.

1.12 INSURANCE

The respondent, if awarded a contract, shall maintain insurance coverage (Item 5.2) reflecting the minimum amounts and coverages as required by the City.

1.13 PUBLIC ENTITY CRIMES

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit proposals or contract with the City for construction of a public building or public works; may not submit bids for leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided for in s. 287 for CATEGORY TWO for a period of 36 months from the date being placed on the convicted vendor list. Questions regarding this statement should be directed to the State of Florida, Bureau of State Procurement (850) 488-8440.

1.14 SUSPENDED VENDOR

An entity or affiliate who has been placed on the State of Florida Suspended Vendor List will not be considered for award. The Suspended Vendor List is available on the State's website at:

http://dms.myflorida.com/business_operations/state_purchasing/vendor_information

1.15 ASSIGNMENT & SUBCONTRACTING

The successful proposer will not be permitted to assign its contract with the City without obtaining prior written approval of the City of Stuart. If a vendor subcontracts or subleases employees for any portion of this contract **for any reason**, the proposer must include, in writing the **name and address of the Subcontractor or leased employee/firm, and must obtain all the same insurance requirements, licensing, and certification requirements with prior approval by the City.** Name of the person to be contacted, include telephone number and extent of work to be performed. This information is to be submitted with RFP response (Tab 1). If vendor should need to change subcontractor information, changes are subject to the approval by the City. The City reserves the right to reject a proposal of any proposer if the proposal names a subcontractor or leased employee who has previously failed in the proper performance of an award or failed to deliver on time contract of a similar nature, or who is not in a position to perform properly under this award.

1.16 PROPOSAL AS PUBLIC DOMAIN

All documents and other materials made or received in conjunction with this project will be subject to public disclosure requirements of Chapter 119, Florida Statutes. The proposal will become part of the public domain upon opening. **Vendors shall not submit pages marked "proprietary" or otherwise "restricted".**

1.17 PUBLIC RECORDS: Public Records Relating to Compliance, Request for Records; Noncompliance, & Civil Action

Note: 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 office of the City Clerk as the custodian of Public Records for the City of Stuart, and all the respective departments at 772-288-5306 or cwhite@ci.stuart.fl.us , City of Stuart, City Clerk 121 SW Flagler Avenue, Stuart, Fl. 34994 per F.S. 119.12.

In compliance with F.S. 119.0701 the Contractor 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.
- E. A request to inspect or copy public records relating to a public agency's contract for services must be made directly to the public agency. If the public agency does not possess the requested records, the public agency shall immediately notify the contractor of the request, and the contractor must provide the records to the public agency or allow the records to be inspected or copied within a reasonable time.
- F. If a contractor does not comply with the public agency's request for records, the public agency shall enforce the contract provisions in accordance with the contract.
- G. A contractor who fails to provide the public records to the public agency within a reasonable time may be subject to penalties under F.S. 119.10.
- H. If a civil action is filed against a contractor to compel production of public records relating to a public agency's contract for services, the court shall assess and award against the contractor the reasonable costs of enforcement, including reasonable attorney fees, if:
 - 1. The court determines that the contractor unlawfully refused to comply with the public records request within a reasonable time; and
 - 2. At least 8 business days before filing the action, the plaintiff provided written notice of the public records request, including a statement that the contractor has not complied with the request, to the public agency and to the contractor.
- I. A notice complies with subparagraph 2 above, if it is sent to the public agency's custodian of public records and to the contractor at the contractor's address listed on its contract with the public agency or to the contractor's registered agent. Such notices must be sent by common

carrier delivery service or by registered, Global Express Guaranteed, or certified mail, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.

- J. A contractor who complies with a public records request within eight (8) business days after the notice is sent is not liable for the reasonable costs of enforcement.

1.18 LICENSES

Proposers, both corporate and individual, must be fully licensed and certified for the type of work to be performed in the State of Florida at the time of RFP receipt.

1.19 BUSINESS TAX RECEIPT

Proposer shall comply with Business Tax Receipt requirements for their business location. A copy of the business tax receipt or proof of exemption shall be included with submittal, and completion of Item 5.7.

1.20 CONTRACT TERM

At all times during the term of the contract, the successful Contractor shall act as an independent Contractor and at no time shall be considered an agent or partner of the City.

- A. **Contract Period:** A multiple year contract shall be awarded for an initial term of three (3) years subsequent to approval by the proper City authorities. The contract may be renewed for four (4) additional one year periods provided both the successful proposer and the City agree and all terms and conditions remain the same. Any contract or amendment resulting from this solicitation shall be subject to fund availability and mutual written agreement between the City and the successful proposer. Extension of the contract for additional thirty (30) day periods for the convenience of either party shall be permissible at the mutual consent of both parties not to exceed six (6) months.
- B. **Option to Extend:** The performance period of any contract resulting from this solicitation may be extended upon mutual agreement between the contractor and the City of Stuart with no change in terms or conditions. Any extension of performance period under this provision shall be in one-year increments. The contract may be renewed for four (4) additional one-year periods, provided both parties are in agreement. Total contract length, including individual one-year extensions, shall not exceed seven (7) years. Consideration of price increases at each renewal period will be given provided such escalations are justified, reasonable and acceptable to the City. Any price increases must be documented and approved by the City of Stuart. It is also expected that de-escalation of prices will be extended to the City if the market so reflects.

1.21 CONTRACT AMENDMENT

This service extends only to those specifically described herein. If upon the request of the City, the Contractor agrees to perform additional services such as verification of data used in Official Statements, assistance with special financial projects, tax services, pension assistance and management advisory services, the City shall pay the Contractor for the performance of such additional services a schedule of compensation rates for these various types of additional work shall be included reflecting hourly rates applicable to projects which may be requested and negotiated with the City.

The City of Stuart reserves the right to order, in writing, changes in the work required by GASB or other regulatory/professional entities. The contractor has the right to request an equitable price adjustment in cases where modifications to the contract under the authority of this clause result in increased costs to the contractor. This agreement may be modified upon the written and mutual consent of both parties, and approval by appropriate legal bodies in the City of Stuart.

1.22 TERMINATION CLAUSES

- A. **Termination for Convenience:** The City upon a thirty (30) day written notice to the other party may terminate this Agreement with or without cause. In the event of any termination, the Contractor shall be paid for all services rendered to the date of termination.
- B. **Termination for Cause:** The obligation to provide further services under this Agreement may be terminated by the City upon seven (7) days written notice in the event of failure by the Contractor to perform in accordance with the terms hereof through no fault of the City.

1.23 BACKGROUND INFORMATION

As part of the evaluation process, the City reserves the right, to require a Proposer to submit such evidence of his/her qualifications as it may deem necessary, and may consider any evidence available to it as to the qualifications and abilities of the Proposer, including past performance (experience) with the City by the Proposer or any of their Owners.

1.24 REFERENCES/RECORD CHECK

As part of the evaluation process, the City may conduct an investigation of references, including but not limited to, a record check of consumer affairs complaints (Section 5.3). Proposer's submission of their RFP constitutes acknowledgment of the process and consent to investigate. City is the sole judge in determining Proposer's qualifications.

1.25 PERFORMANCE EVALUATION

Throughout the contract period the vendor(s) performance will be monitored by City staff. If vendor performance fails to meet the standards specified and receives an unacceptable rating, the City may without cause and without prejudice to any other right or remedy, terminate the contract whenever the City determines that such termination is in the best interest of the City. Vendor's receiving an unacceptable rating will be notified by certified mail. Contract termination shall be served by written notice by the Procurement Division.

1.26 PRICING AND INVOICING

The City requires a firm price for each contract period. Invoices will be checked to confirm compliance with quoted pricing. Failure to hold prices firm through each contract term may be grounds for contract termination. Payment will be paid upon completion and acceptance of the work, net 30 days.

PART II STATEMENT OF WORK

2.1 ELIGIBILITY AND MANDATORY REQUIREMENTS

The proposer should submit the minimum qualifications with their proposal response package to be considered responsive in order for the City to fully evaluate the firm's qualifications. Failure to fully submit the requested information may result in the proposal response being considered non-responsive

- A. In order to be eligible to respond to this Request for Proposal, the interested firm must have successfully completed entity wide financial audits of at least five (5) municipal governmental entities. These audits shall have been of similar complexity to the technical specifications and scope, as an independent external financial auditor to a municipality or other governmental organization in this Request for Proposal. This experience shall be reflected in the proposal along with contact names and telephone numbers for those municipalities. Each respondent shall meet all legal, technical and professional requirements for expressing an audit opinion on the annual financial statements of the City of Stuart.
- B. Proposers must meet the following minimum qualifications; failure to meet the minimum qualifications may result in rejection of the Proposal. Proposers shall submit written documentation such as letters of references and a list of clients who are public entities, as evidence that they meet the requirement stated above. Letters of references shall not be older than three (3) years.
- C. The principals of the firm(s) have performed continuous certified public accounting (CPA) services for a minimum of five (5) years.
- D. The Proposer must be a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants.
- E. The assigned professional personnel of the Proposer must have received adequate continuing professional education as stipulated by Government Auditing Standards issued by the Comptroller General of the United States.
- F. The Proposer is independent of the City of Stuart, as defined by generally accepted auditing standards and Government Auditing Standards.
- G. The Proposer must submit a copy of the two most recent external quality control review reports and letters of comment, along with a statement indicating whether the reviews included a review of specific governmental engagements.
- H. The manager and senior auditor must have experience auditing one or more similar governments, specifically as to size and services provided, where all applicable Governmental Accounting Standards Board Statements have been implemented.
- I. The manager and senior auditor must have experience performing a Single Audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996, the provisions of OMB Circular A-133, Audits of State and Local Governments; and the Rules of the Auditor General of the State of Florida.
- J. To meet the requirements of this RFP, the audit must be performed in accordance with the following standards:

1. Generally Accepted Auditing Standards as issued by the American Institute of Certified Public Accountants (AICPA)
2. Government Auditing Standards issued by the Comptroller General of the United States
3. OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations
4. Federal Single Audit Act, as amended
5. Florida Single Audit Act
6. Rules of the Auditor General, State of Florida
7. Rules of the Florida Department of Financial Services
8. Section 218.39, Florida Statutes and any other applicable Florida Statutes.

2.2 **WORK OBJECTIVE**

- A. The City desires the auditor to express an opinion on the fair presentation of its financial statements in conformity with accounting principles generally accepted in the United States. This RFP describes Financial Audits as required under Florida Statutes Chapter 11.45, F.S. Chapter 218.39, F.S. Chapter 163.387 (8), the Florida Single Audit Act and the City of Stuart Municipal Ordinances and Charter.
- B. The auditor shall also prepare required management reports and any other reports as may be required. The auditor shall also perform certain limited procedures involving required supplementary information as may be required by Florida State Statutes, the Florida Auditor General, the Governmental Accounting Standards Board and/or the AICPA, as mandated by accounting principles generally accepted in the United States.
- C. **Auditing Standards**
1. To meet the requirements of this Request for Proposal and any resulting agreement, the audit shall be performed in accordance with auditing standards generally accepted as set forth by the American Institute of Certified Public Accountants and auditing standards generally accepted as promulgated by the General Accounting Office and the Rules of the Auditor General of the State of Florida, the standards for financial audits. The audit will be a financial audit.
 2. Note: The auditor will compile the financial statements and footnotes into one document. The auditor shall be responsible for delivering one electronic original.
 3. Irregularities and illegal acts: Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the City Manager and the City Commission.
- D. **Working Papers Retention and Access to Working Papers:** All working papers and reports must be retained at the auditor's office and at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available upon request by the City.

- E. Special Consideration:** The City submits its Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. The auditor shall be required to provide special assistance to the City to guarantee that the CAFR will meet the requirements of that program. The time requirements articulated in Section 1.9 will necessitate a degree of advance planning and audit methodology. Audit firms are required to consider these time requirements and disclose the means by which their audit approach will adhere to these schedules.

2.3 BACKGROUND INFORMATION

- A. Type of Government:** The City of Stuart was incorporated in 1914 and has a current population of approximately 17,000 residents. The City is located in Martin County on Florida's east coast between St. Lucie County to the North and Palm Beach County to the South. The City operates public safety departments including Police and Fire/Rescue; Community Redevelopment Agency; Enterprise funds comprised of Water, Sewer, Stormwater and Sanitation; provides community development/code compliance services and operates a concentrated parks and recreation program.
- B.** The City is governed by a five-member commission. A City Manager is appointed by the City Commission to administer City operations and policy. The City is a legal taxing district with the power to levy ad valorem tax within its boundaries.
- C.** The City's fiscal year is October 1 through September 30.
- D.** There are approximately 250 full-time employees.
- E.** Budgets are adopted annually in accordance with City Charter, and expenditures are controlled in accordance with written policies and procedures.
- F.** The City's accounting records for fiscal year ending September 30 will be closed by December 31 each year.

2.4 TIME REQUIREMENTS

- A. Commencement of Audit:** The City will have all records ready for audit and all management personnel available to meet with the firm's personnel no later than January 1 each year.
- B. Schedule for the Fiscal Year Audit:** Each of the following shall be completed by the auditor no later than the dates indicated.
- 1. Audit Plans:** The auditor shall provide a firm, detailed audit plan to the City for fiscal year end no later than one month after award of this RFP and execution of the agreement.
 - 2. Fieldwork:** The auditor shall complete all fieldwork on site in sufficient time to meet guidelines for filing the City's CAFR with the Governmental Financial Officers Association by March 15, each year. Fieldwork is defined as that audit work consisting of data collection, analysis and compilation of financial information to include examples of financial transactions and completing all associated inquiries required to meet audit

objectives. Fieldwork will be completed on-site at Stuart City Hall, 121 SW Flagler Avenue, Stuart, Florida. A preliminary draft of financials must be submitted by February 28, each year.

3. Issuance of Reports and Financial Statement Attestation: The auditor shall have ready for publication all reports denoted in Section 1.7 of this Request for Proposal instruction no later than March 15 each year.
4. Entrance Conferences, Progress Reporting and Exit Conferences: There shall be an entrance conference with key Finance Department personnel no later than the month of September each year. Progress conferences will be held with key Finance Department personnel throughout the engagement. An exit conference will be held within fourteen days of audit completion with key Finance Department personnel.

2.5 ASSISTANCE TO BE PROVIDED TO THE AUDITOR

- A. **Work Papers and Documents**: The Finance Department will prepare the work papers for all funds. This will include trial balances and related supporting schedules. Staff of the Finance Department and other appropriate departments will be available to answer questions as may be required.
- B. **Office Space and Machines**: Copy machines, office space, fax and telephones will be made available to the successful proposer at no charge.

2.6 SPECIAL CONDITIONS

- A. **Laws, Ordinances, Etc.**: The auditor shall observe and comply with all Federal, State and Local laws, ordinances, rules, regulations and professional standards that would apply to this contract.
- B. **Venue**: Any contractual arrangement between the City of Stuart and the successful proposer shall be consistent with, and be governed by, the ordinances of Martin County, the City of Stuart, the whole law of the State of Florida, both procedural and substantive, and applicable federal statutes, rules and regulations. Any and all litigation arising under any contractual arrangement shall be brought in the appropriate court in Martin County, Florida.

PART III INSTRUCTIONS FOR PREPARING SUBMISSIONS

3.1 RULES FOR SUBMISSIONS

The submission must name all persons or entities interested in the submission as principals. The proposal must declare that it is made without collusion with any other person or entity submitting a proposal pursuant to the RFP. The interested firm or individual must submit one (1) original and six (6) copies of their proposal with each marked "COPY", and **one (1) electronic copy (PDF format preferred) on a CD or flash drive** of the requested data for evaluation. Please tab all support documents or attachments according to the order established in the following paragraph.

3.2 **PROPOSAL FORMAT**

The Proposal will address all the points outlined in the request for proposals. The Proposal must be prepared simply and economically, providing a straightforward, concise description of the Proposers capabilities to satisfy the requirements of the request for proposals. In order to simplify and expedite the evaluation process, please construct the proposal in the format noted below. The response format shall have the required information indicated in each tab. All attachments as requested shall be inserted in the back of each corresponding section.

In preparing your proposal, proposer should assume that the City has no previous knowledge of their product or capabilities. Proposals should clearly describe the services, specifying where it meets, exceeds or does not comply with the general specifications.

Letter of Transmittal: The response format shall contain a letter of transmittal. The Letter of Transmittal will summarize in a brief and concise manner the Contractor's understanding of the scope of work and make a positive commitment to timely perform the work within budgetary requirements. An agent authorized to contractually bind Contractor must sign the Letter of Transmittal indicating the agent's title or authority. The transmittal letter shall not exceed two pages in length.

Tab 1 ~ Independence

The firm shall provide an affirmative statement that it is independent of the City of Stuart as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards (1988).

The firm should also list and describe the firm's (or its proposed subcontractors') professional relationships involving the City of Stuart or any of its agencies or component units or oversight unit for the past five (5) years. If applicable, a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit will be included.

In addition, the firm shall commit to giving the City of Stuart written notice of any potentially conflicting professional relationships entered into during the period of this agreement.

Tab 2 ~ Firm's Qualifications, Knowledge and Experience

The proposal shall state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the Proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal Auditor shall be noted, if applicable.

The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state or federal regulatory bodies or professional organizations

The firm shall identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, specialists and the assigned “in-charge” who will be assigned to the engagement and indicate whether each such person is (registered/licensed) to practice as a certified public accountant in Florida. The firm shall provide information in the form of resumes on the government auditing experience of each person, *including information on relevant continuing professional education for the past three (3) years* and membership in professional organizations relevant to the performance of this audit.

The firm shall provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education of the specific staff to be assigned to this engagement. The firm also shall indicate how the quality of staff over the term of the agreement will be assured.

The Proposer shall identify the extent to which staff to be assigned to the audit reflect the City of Stuart's commitment to affirmative action.

Engagement partners, manager, consultants other supervisory staff, specialists and “in-charge” may be changed if those personnel leave the firm, are promoted or are assigned to another office. Those personnel may also be changed for other reasons with the express prior written permission of the City of Stuart. However, the City of Stuart retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Proposer provided that replacements have substantially the same or better qualifications or experience.

Tab 3 ~ Audit Approach

The proposal shall set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference shall be made to such sources of information as the City of Stuart's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- Describe proposed segmentation of the engagement. Specific target dates must be offered for each segment. The plan proposed must be structured to meet these proposed dates. Timing of the engagement must be planned so that the City deadlines, as noted in Section 1.9, will be met.
- Show level of staff and number of hours to be assigned to each proposed segment of the engagement. The adequacy of proposed staffing plan for various segments of the engagement will be evaluated. Commitment to continuity of the proposed audit team for following years of the agreement will be considered favorably.
- Describe sample size and the extent to which statistical sampling is to be used in the engagement. Show each segment and its part in the overall audit plan. Define the specific audit procedures to be followed and how they are applicable to each audit plan segment.
- Describe the extent of use of paperless technology in the engagement.
- Define type and extent of analytical procedures to be used in the engagement. Include specific examples of audit procedures to be used in each segment of the engagement.

- Demonstrate approach to be taken to gain and document an understanding of the City of Stuart's internal control structure.
- Identify approach to be taken in determining laws and regulations that will be subject to audit test work.
- Describe approach to be taken in drawing audit samples for purposes of tests of compliance.

Tab 4 ~ Florida Engagements

For the firm's office that will be assigned responsibility for the audit, a separate list of all engagements of audit work in which the firm has participated for Florida governmental entities shall be submitted. Include the most significant engagements performed in the last five years that are similar to the engagement described in this request for proposals.

These engagements shall be ranked based on total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

The firm shall list separately all engagements within the last five years for the City of Stuart by type of engagement. For each engagement, the firm shall indicate the scope of work, date, engagement partners, total hours by staff type, the location of the firm's office from which the engagement was performed.

Tab 5 ~ Report Format

The proposal shall include sample required reports.

Tab 6 ~ Proposal Form

Insert all requested pricing in the attached Price Proposal Form. The proposed fees shall include all overhead and expenses and as specified in Item 5.1.

The cost proposal shall contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to provide the service must contain all direct and indirect costs including all out-of-pocket expenses.

Rates by partner, specialist, supervisory and staff level multiplied by hours anticipated for each. The cost proposal shall include a schedule of professional fees and expenses, presented in an easily understandable format that supports the Total All-inclusive Maximum Price.

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be included in the Total All-inclusive Maximum Price submitted by the firm. No separate payments will be made for Out-of-Pocket expenses.

If it becomes necessary for the City of Stuart to request the Auditor to render any additional services to either supplement the services requested in this request for proposal or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City of Stuart and the firm. Any such additional work agreed to between the City of Stuart and the firm shall be performed at the same rates, set forth in the schedule of fees and expenses submitted.

Progress payments will be made based on hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's cost proposal. Interim billing shall cover a period of not less than a calendar month. Ten percent may be withheld from each billing pending delivery of the firm's final report.

Tab 7 ~ Insurance:

Provide a statement agreeing to obtain (prior to award) Insurance with coverages as detailed in Section 5.2. Provide proof of insurance indicating that the firm has coverage in accordance with the requirements herein set forth may be furnished by the firm to the City along with their qualification data. A properly completed Accord Form is preferable. The City of Stuart must be named as an additional insured for all General Liability prior to entering into a contract. The Firm shall either cover any sub-contractors on its policy or require the sub-contractors to conform to all requirements for insurance contained herein. Subcontractors must be provided in Tab 1.

Tab 8 ~ References

In order to be eligible to respond to this Request for Proposal, the interested firm must have successfully completed entity wide financial audits of at least five (5) municipal governmental entities. These audits shall have been of similar complexity to the technical specifications contained in this Request for Proposal. This experience shall be reflected in the proposal along with contact names and telephone numbers for those municipalities. Each respondent shall meet all legal, technical and professional requirements for expressing an audit opinion on the annual financial statements of the City of Stuart. Letters of references shall not be older than three (3) years.

Tab 9 ~ Submittal Forms & Requested Information:

- Section 1.19 Business Tax Receipt requirements for their business location. A copy of the business tax receipt or proof of exemption shall be included with response submittal and IRS W-9 form.
- Section 5.3 Request for Information to Submit With IRS W-9 Form
- Section 5.6 Public entity Crimes

Tab 10 ~ Prohibition Non-Collusion/Conflict of Interest Disclosure Statements

- A. Include the following Statement of Non-Collusion: “The respondent certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this solicitation the information provided has been arrived at independently, without consultation, communication, or agreement with any other respondent or with any competitor for the purpose of restricting competition, or in any other way influencing the competitive arena.”
- B. Include a disclosure statement advising the City of any potential conflict of interest, real or apparent, that the Respondent, employee, officer, or agent of the firm may have due to ownership, other clients, contracts or interests associated with this project.
- C. An affirmative statement must be included indicating that the firm and all assigned key professional staff are properly registered and licensed to practice in the State of Florida. Include copies of appropriate licenses.
- D. Signature on the transmittal letter shall certify the veracity of these statements.

Tab 11 ~ Optional Information: Provide any information pertinent to this project that will provide insight to the evaluators about the qualifications, fitness and abilities of the Respondent (please limit this information to two pages).

Tab 12 ~ Addenda (if applicable): All addenda issued pursuant to this solicitation must be acknowledged and submitted as part of the proposal package.

PART IV EVALUATION OF SUBMISSIONS

4.1 EVALUATION METHOD AND CRITERIA

- A. Purpose:** The purpose of the Proposal is to demonstrate compliance with the evaluative criteria established in Part IV, specifically the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of Stuart in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Proposal must demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It must also specify an audit approach that will meet the request for proposals requirements.
- B. General:** The City's selection committee will evaluate proposals and will select the proposer which meets the best interests of the City. The City shall be the sole judge of its own best interests, the proposals, and the resulting negotiated agreement. The City's decisions will be final. This criterion shall be utilized in the evaluation of the proposals.

The City's evaluation criteria will include, but not be limited to, consideration of the following:

<u>EVALUATION CATEGORIES</u>	<u>POINTS POSSIBLE</u>
Overall qualifications, knowledge, & experience	30 pts
Audit Approach	45 pts
Reference/Past Projects of similar nature in Florida	10 pts
Proposed price for work to be accomplished.	15 pts

- C. Selection:** Proposals will be evaluated using the above criteria. The City will assign this task to a Selection Committee. The City of Stuart reserves the right to select the most qualified individuals/firms from review of the packages submitted and request authorization to negotiate an agreement with the highest ranked individual/firm; or to interview the most qualified Respondents prior to requesting authorization to negotiate an agreement with the highest ranked respondent. Individuals/firms will be notified in writing if they are selected for interview. Notices for interviews will contain explicit instructions concerning location, date, time and length of interviews.
- D. Presentations:** The City may require oral and visual presentations from those firms that are ranked or short-listed. This shall be done at the City's sole discretion when it feels presentations are essential as part of the evaluation process and are in the best interests of the City. The City shall be the sole judge and final arbiter of its own best interests in this matter.
- E. Negotiations:** After the City ranks the respondents, City staff will take the proposed ranking to the City Commission for approval and authorization to start negotiations with the top ranked firm. After staff concludes negotiations with the respondent(s) selected by the City Commission, staff will present the results of the negotiations to the City Commission with its recommendation for award of a contract. If the City Commission determines that staff is unable to negotiate a satisfactory contract with the respondent(s) considered to be the most qualified at a price the City determines to be fair, competitive, and reasonable, negotiations with that respondent(s) shall be formally terminated. Should the City be unable to negotiate a satisfactory contract with the selected respondent(s), the City may select additional respondent(s) in order of their original ranking, competence and qualification; and will continue negotiations until an agreement is

reached. However, as stated in Item 1.4 above, the City reserves the right to reject all proposals, to waive any irregularities, and to re-advertise and solicit for other proposals.

F. Terms and Conditions

All prospective Contractors are hereby cautioned not to contact any member of the Stuart City Commission, the City Manager, the City Attorney (except to discuss grievance matters) or any member of the selection committee. All questions and contacts must be made through the Procurement Office. Attempts to lobby or persuade through other channels will result in disqualification.

Any actual or prospective Contractor who disputes the reasonableness, necessity or competitiveness of the terms and conditions of this request for proposals; selection or award recommendation shall file such dispute in writing with the City Manager, not later than close of business on the proposal opening date, as to the terms and conditions, and within ten (10) days of Commission action as to the selection or award recommendation.

The City reserves the right to reject any or all proposals without recourse, to waive technicalities and informalities or to accept the proposal which in its sole judgment best serves the interest of the City.

As required by FS Section 287.133; “A person or affiliate who has been placed on the convicted vendor list following conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or a Contractor under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount as stated in FS Section 287.017, for Category Two, for a period of thirty six months from the date of being placed on the convicted vendor list.” Questions regarding this statement should be directed to the State of Florida, Bureau of State Procurement (904) 488-8131.

G. Contact Person: Questions or requests for additional information shall be directed to the Procurement Office, at (772) 288-5320, fax (772) 600-0134, or email: purchasing@ci.stuart.fl.us between the hours of 8:30 a.m. and 5:00 p.m., local time, weekdays.

H. Purchasing Card Program: Preferred method of payment is by means of the City of Stuart Purchasing Card (VISA). The selected Bidder(s) can take advantage of this program and in consideration receive payment within several days, instead of the City’s policy of Net 30 Days After Receipt of Invoice (ARI).

1. Bidders are requested to acknowledge acceptance of purchasing VISA card on the Proposal Form. In the event of failure on the part of the Proposer to make this statement, the City shall assume the purchase or Contract price shall be governed by the Net 30 ARI.
2. The City of Stuart offers bidders who commit to accepting the Purchasing Card as payment a one percent (1%) reduction in their proposal price for evaluation purposes only. When evaluating prices submitted by proposers in response to this solicitation, the total offered price of a proposer committed to accepting the Purchasing Card will be reduced by one percent, the resulting number is then compared to the other proposers’ offered price. If the committed bidder is awarded the contract, the award will be at the negotiated contract price. City shall not pay any service charges or fees for Pcard transactions.

PART V RFP SUBMITTALS

5.1 PRICE PROPOSAL FORM

Respondents are to make no changes to the table below and are to fill the table out completely. Values must be provided for all categories below and must represent the total cost for each service in Group A. The Total Fee for each audit period includes all out-of-pocket expenses for firm personnel (e.g. travel, lodging, copies, etc.). As specified in Section 1.21 additional work shall be included reflecting hourly rates in Group B. The estimated (projected) hours by type of staff member for the first year (2017) of the audit must be included in Group C.

GROUP A			
ITEM #	AUDIT PERIOD ENDING	TOTAL PROJECTED HOURS	TOTAL FEE
Initial 3 Year Term			
1	September 30, 2017		\$
2	September 30, 2018		\$
3	September 30, 2019		\$
Four Additional One-Year Contract Extensions			
4	September 30, 2020		\$
5	September 30, 2021		\$
6	September 30, 2022		\$
7	September 30, 2023		\$
OVERALL TOTAL (Items 1-7)			\$

Company Name _____

GROUP B		
ITEM	DESCRIPTION	HOURLY RATE
8	Partner	\$
9	Manager	\$
10	Supervisory Staff	\$
11	Staff	\$

GROUP C		
ITEM	PROJECTED 2017 AUDIT	ESTIMATED HOURS
12	Partner	
13	Manager	
14	Supervisory Staff	
15	Staff	
TOTAL		

Preferred method of payment is by the City Purchasing Card (VISA). DO YOU ACCEPT THE PURCHASING CARD (VISA)? Yes <input type="checkbox"/> No <input type="checkbox"/>
--

The Respondent certifies that as a condition of bidding he will hold good his proposal prices for a minimum period of **ninety** (90) calendar days from the date proposals are opened.

The City of Stuart offers proposers who commit to accepting the Purchasing Card, noted above in the Proposal Form as payment method, a one percent (1%) reduction in their overall price for evaluation purposes only. When evaluating prices submitted by proposers in response to this solicitation, the total offered price of a proposer committed to accepting the Purchasing Card will be reduced by one percent, the resulting number is then compared to the other proposers' offered price. If the committed proposer is awarded the contract, the award will be at the negotiated contract price. City shall not pay any service charges or fees for Pcard transactions.

Company Name _____

The undersigned Respondent hereby certifies that the terms and conditions, including but not limited to, the scope of work have not been altered or modified in any manner. Any modification to this solicitation by the proposer will result in Proposer's response being found non-responsive and thereby disqualified.

The undersigned Respondent hereby certifies that he has received all the Addenda listed below and has incorporated them into his proposal listed herein. Failure to acknowledge any and all addenda may render the proposal non-responsive and no further evaluation of the proposal will occur.

Addendum(s) # _____ through # _____ Respondent's Initials _____

(Signature)

(Printed Name)

Name of Company, Firm

(Printed Title)

Telephone Number

Facsimile Number

Email Address

5.2 INSURANCE REQUIREMENTS

- A. The successful professional shall not commence any work in connection with this agreement until it has obtained all of the following types of insurance and the City has approved such insurance. Nor shall the successful professional allow any subcontractor to commence work on its subcontract until all similar insurance required of the subcontractor has been so obtained and approved. All insurance policies shall be with insurers licensed and authorized to do business in the State of Florida. The successful professional shall maintain required insurance coverage for the full term of this agreement or for such longer periods as may be specifically required herein. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida and rated no less than "B" as to management and no less than Class "VIII" as to strength in accordance with the A.M. Best Company Insurance Guide, or its equivalent as determined by the City in its sole discretion.
- B. Loss Deductible Clause: The City shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the professional and/or subcontractor providing such insurance.
- C. Worker's Compensation Insurance: The professional/service provider shall maintain during the life of this Agreement, Worker's Compensation Insurance for all of its employees connected with the work of this project that complies fully with the State of Florida Worker's Compensation Law, SS 440.
- D. General Liability: The Professional shall, during the life of this agreement take out and maintain broad form Commercial General Liability [including premises/operations; products/completed operations with the XCU hazards; personal /advertising injury; and fire damage (minimum \$100,000)] for limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate relative to any agreement resulting from a solicitation with the City of Stuart.
- E. Business Automobile: The professional/service provider shall during the life of this agreement take out and maintain Business Automobile Liability form with coverage for symbol I (any auto) with limits of not less than \$1,000,000.00 combined single limit or \$500,000.00 per person/\$1,000,000.00 per accident bodily injury and \$250,000.00 per accident property damage.
- F. Professional Liability: The professional shall during the life of this agreement take out and maintain Professional Liability coverage with limits of not less than \$1,000,000.00 per claim /\$2,000,000.00 per job, per year aggregate relative to any agreement resulting from this solicitation for the City of Stuart. The professional further agrees to maintain like coverage for a minimum of five (5) years following the completion of the agreement.
- G. Owner's Protective Liability Insurance: The Owner shall be responsible for purchasing and maintaining his own liability insurance and, at his option, may purchase and maintain such insurance as will protect him against claims which may arise from his operations under the Contract.
- H. Certificates of Insurance: the Contractor, upon notice of award, will furnish Certificate of Insurance Forms. These shall be completed by the authorized Resident Agent and returned to the Purchasing Office. This certificate shall be dated and show:

- (1) The name of the insured contractor, the specified job by name and job number, the name of insurer, the number of the policy, its effective date, and its termination date.
- (2) Statement that the Insurer will mail notice to the City at least thirty (30) days prior to any material changes in provisions or cancellation of the policy.
- (3) City shall be named or additional named insured on General Liability Insurance and Business Automobile Liability Insurance.

NOTE: The City can decrease or increase these limits, depending on the project, at its sole discretion.

5.3 REQUEST FOR INFORMATION TO SUBMIT WITH IRS W-9 FORM

Federal Income Tax Law requires a Form 1099 with a valid taxpayer identification number to be filed for payments made in the course of conducting a trade or business. Further, these payments may be subject to Backup Federal Income Tax Withholding for all payees who have not submitted a correct Federal Tax Identification Number at the time of payment.

Please read this form and complete the information thereon before signing and **returning with a copy of your IRS W9 Form**. If you are a corporation, we will not issue you a Form 1099 (Reference: 1.6401-3(c)). However, kindly return this form to document your corporate status.

In order to avoid the possibility of future payments being held subject to Backup Withholding at a rate of 31%, please complete the form printed below and return this letter to the above address or E-mail request to: mcleighton@ci.stuart.fl.us.

VENDOR NAME _____

DBA: _____

CORPORATE ADDRESS: _____

CITY: _____ **STATE:** _____ **ZIP:** _____

TELEPHONE: (____) _____ **FAX:** (____) _____ **ALTERNATE PHONE:** (____) _____

“THE ABOVE INFORMATION WILL BE USED FOR PURCHASE ORDERS”

REMIT TO ADDRESS: _____

CITY: _____ **STATE:** _____ **ZIP:** _____

TELEPHONE: (____) _____ **FAX:** (____) _____ **ALTERNATE PHONE:** (____) _____

COMPANY CONTACT NAME: _____

COMPANY/CONTACT EMAIL ADDRESS: _____

TYPE OF ORGANIZATION

- | | | |
|---|---|---|
| 1. <input type="checkbox"/> Corporation | 3. <input type="checkbox"/> Sole Proprietor | 5. <input type="checkbox"/> Government Agency |
| 2. <input type="checkbox"/> Partnership | 4. <input type="checkbox"/> Individual | 6. <input type="checkbox"/> Other: _____ |

1099 REPORTING STATUS (Check One): Yes No

TAXPAYER IDENTIFICATION NUMBER:

Employer Identification Number: _____ - _____ (Or) Social Security Number: _____ - _____ - _____

Print name of Taxpayer if using SS#: _____

Under penalties of perjury, I certify that this statement is accurate and complete.

Signature: _____ Title: _____

Date: _____ Phone: (____) _____

5.4 SWORN STATEMENT PURSUANT TO SECTION 287.133 (3) (a), FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to CITY OF STUART, MARTIN COUNTY, FLORIDA

by: _____
(print individual's name and title)

for: _____
(print name of entity submitting sworn statement)

whose business address is: _____

and (if applicable) its Federal Employer Identification Number (FEIN) is: _____

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____ - _____ - _____.)

2. I understand that a “public entity crime” as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentations.
3. I understand that “convicted” or “conviction” as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an “affiliate” as defined in Paragraph 287.133(1)(a), Florida Statutes, means:
 - a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term “affiliate” includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm’s length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
5. I understand that a “person” as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term “person” includes those officers, directors, executives, partners, Shareholders, employees, members, and agents who are active in management of an entity.
6. Based on information and belief, the statement which I have marked below is true in relations to the entity submitting this sworn statement. (Indicate which statement applies).

- Neither the entity submitting this sworn statement, nor any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.
- The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.
- The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida , Division of Administrative Hearings and the final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list (attach a copy of the final order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signature

Sworn to and subscribed before me this _____ day of _____, 20_____.

Personally known _____ OR Produced Identification _____

Notary Public – State of Florida
Type of Identification _____ My Commission Expires: _____

SEAL OR STAMP

5.5 SAMPLE CONTRACT

CONTRACTOR: _____

PROJECT: **RFP #2017-173: INDEPENDENT AUDITING SERVICES**

CONTRACT FOR SERVICES

THIS CONTRACT, hereinafter "Contract," made and entered into the ____ day of _____, 2017 by and between _____ hereinafter referred to as "Contractor" and the City of Stuart, Florida, a municipal corporation, 121 SW Flagler Avenue, Stuart, Florida 34994, hereinafter referred to as "City", for and in consideration of the following terms, conditions and covenants.

I. PURPOSE OF CONTRACT

City intends to enter into a contract with Contractor for provision of Independent Auditing Services by the Contractor and the payment for those services by City as set forth below.

II. STATEMENT OF WORK

The Contractor shall provide Independent Auditing Services pursuant to this Contract as hereinafter provided. These services will include all labor, equipment, and materials necessary to provide Independent Auditing Services.

Section 1. Scope of Service

Contractor shall work with City staff in advising the City and the City Commission regarding Independent Auditing Services as rendered. The detailed scope of services to be performed and schedule of fees for those services is described in Exhibit A (Contractor's response to RFP #2017-173 as accepted by the CITY) and Exhibit B (CITY's original Request For Proposals) incorporated herein.

III. CONTRACT PROVISIONS

Section 1. Period of Service

1.1 Term of Contract

Upon award of this Contract, the effective date of this Contract shall be the date of execution of this Contract by both City and Contractor. Term of this contract shall be for an initial period of three (3) years with the option of four (4) additional one-year renewal periods, upon the mutual written agreement of the parties.

Section 2. Compensation and Method of Payment

2.1 Fee Schedule

CITY will compensate Contractor for these Independent Auditing Services in accordance with Contractor's pricing schedule formalized in "Exhibit A-Price Proposal Form" to this Contract. Contractor's pricing schedule may be updated annually prior to each optional renewal period.

2.2 Invoices

Contractor shall submit invoices to the City for work accomplished and accepted by the City under this Contract. Each invoice shall be detailed and include, but not be limited to, a legible copy of the estimate approved by the City Representative, and the date work was completed and accepted by the City.

2.3 Payment

Payment for services rendered is due within thirty days of receipt and approval of invoice by City. Payment is delinquent 30 days following receipt and approval of invoice by City.

2.4 Use of Documents

All original documents that result from the Contractor's services pursuant to this Agreement shall be the sole property of the City.

Section 3. Audit

The Contractor agrees that the City or any of its duly authorized representatives shall, until the expiration of three years after expenditure of funds under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this Agreement. The Contractor agrees that payment(s) made under this Agreement shall be subject to reduction for amounts charged thereto which are found on the basis of audit examination not to constitute allowable costs under this Agreement. The Contractor shall refund by check payable to the City the amount of such reduction of payments. All required records shall be maintained until an audit is completed and all questions arising therefrom are resolved, or three years after completion of the project and issuance of the final certificate, whichever is sooner.

Section 4. Contractor Responsibility

5.1 Independent Contractor

The Contractor is an independent contractor and is not an employee or agent of the City. Nothing in this Agreement shall be interpreted to establish any relationship other than that of an independent contractor, between the City and the Contractor, its employees, agents, subcontractors, or assigns, during or after the performance of this Agreement.

5.2 Contractor's Records

As a condition precedent to Contractor filing any claim against City, Contractor shall make available to City all of Contractor's books and records (directly or indirectly related to the claim of Contractor's business) requested by City. Refusal to do so shall constitute a material breach of this contract and cause for dismissal of any litigation.

Section 6. Termination

6.1 Termination for Convenience

Either party upon a thirty (30) day written notice to the other party may terminate this Contract. In the event of any termination, Contractor shall be paid for all services rendered to the date of termination including all authorized reimbursable expenses.

6.2 Termination for Cause

The performance of the Contract may be terminated by the City of Stuart in accordance with this clause, in whole or in part, in writing, whenever the City shall determine that the contractor has failed to meet performance requirement(s) of the Contract. If the successful bidder should be adjudged bankrupt, or if he should make a general assignment for the

benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he should fail to provide properly skilled personnel or proper service in the sole discretion of the City, then the City can, after giving the successful proposer seven (7) days written notice, and without prejudice to any other right or remedy, terminate this Contract.

6.3 Performance Evaluation

Throughout the contract period the vendor(s) performance will be monitored by City staff. If vendor performance fails to meet the standards specified and receives an unacceptable rating, the City may without cause and without prejudice to any other right or remedy, terminate the contract whenever the City determines that such termination is in the best interest of the City. Vendor's receiving an unacceptable rating will be notified by certified mail. Contract termination shall be served by written notice by the Procurement Division.

Section 7. CITY's Obligations

7.1 Project Manager

The Project Manager for the City with the authority to act on the City's behalf with respect to all aspects of the Project is the Finance Director.

The Project Manager for the Contractor with authority to act on the Contractor's behalf with respect to all aspects of the Project is:

(name, title)
(mailing address)
(email address)
(phone/fax)

Section 8. Persons Bound by Contract

8.1 Parties to the Contract

The persons bound by this Contract are the Contractor and the City and their respective partners, successors, heirs, executors, administrators, assigns and other legal representative.

8.2 Assignment of Interest in Contract

This Contract and any interest or services associated with this Contract may not be assigned, sublet or transferred to another by either party without the prior written consent of the other party. Nothing contained herein shall be construed to prevent Contractor from employing such independent Contractors, associates and subcontractors as Contractor may deem appropriate to assist in the performance of the services hereunder.

8.3 Other Entity Use

The successful Contractor may be requested to convey its proposal prices, contract terms and conditions, to municipalities or other governmental agencies within the State of Florida.

8.4 Rights and Benefits

Nothing herein shall be construed to give any rights or benefits arising from this Contract to anyone other than Contractor and the City.

Section 9. Indemnification of City

Contractor assumes the entire responsibility and liability for all damages or injury to all persons, and to all property, caused by the Contractor or Contractor's employees, agents, consultants or sub-contractors, and Contractor shall to the fullest extent allowed by law, indemnify and hold harmless the CITY, and its officers and employees, from liabilities, damages,

losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, omission, or intentional conduct of the Contractor and other persons employed or utilized by the Contractor in the performance of the contract. Specific consideration for this indemnity is \$10.00, the receipt and sufficiency of which are hereby acknowledged by Contractor.

Contractor shall obtain, maintain and pay for general liability insurance coverage to insure the provisions of this paragraph.

Section 10. Insurance.

10.1. Requirements

Contractor shall procure and maintain insurance, in the amounts noted in Item 5.2 of the Request for Proposal and included in “**Exhibit C**” of this Contract, which names the Contractor, its officers, board members, employees and agents as additional insured on General Liability and Automobile Liability insurance policies. Such certificate must contain a provision for notification of the City 30 days in advance of any material change or cancellation. The City by and through its Risk Manager, reserves the right to review, modify, reject or accept any required policies of insurance, including limits coverages or endorsements, herein from time to time throughout the term of this contract. All insurance carriers must have an A.M. Best Rating of at least A:VII or better. When a self-insured retention or deductible exceeds \$5,000, the City reserves the right, but not the obligation, to review and request a copy of contractor’s most recent annual report or audited financial statement. All contractors, including any independent contractors and subcontractors utilized, must comply with the insurance requirements as set forth in the documents identified and listed in “**Exhibit C**” attached hereto.

10.2 Certificate of Insurance

Certificates of all insurance required from the Contractor shall be attached to this agreement and shall be subject to the City's approval for adequacy.

Section 11. Professional Standards

All work performed by Contractor will be in accordance with the highest professional standards and in accordance with all applicable governmental regulations.

Section 12. Non-Appropriation

This Contract is deemed effective only to the extent of the annual appropriations available.

Section 13. General Conditions

13.1 Venue in Martin County

Jurisdiction a venue for any lawsuit to enforce the terms and obligations of this Contract shall lie exclusively in the County Court or the Circuit Court in and for Martin County, Florida.

13.2 Laws of Florida

The validity, interpretation, construction, and effect of this Contract shall be in accordance with and governed by the laws of the State of Florida.

13.3 Attorney’s Fees and Costs

In the event the Contractor breaches or defaults in the performance of any of the terms, covenants and conditions of this Contract, the Contractor agrees to pay all damages and costs incurred by the CITY in the enforcement of this Contract, including reasonable attorney's fees, court costs and all expenses, even if not taxable as court costs, including, without limitation, all such fees, costs and expenses incident to appeals incurred in such action or proceeding.

13.4 Mediation as Condition Precedent to Litigation

Prior to the initiation of any litigation by the parties concerning this Contract, and as a condition precedent to initiating any litigation, the parties agree to first seek resolution of the dispute through non-binding mediation. Mediation shall be initiated by any party by serving a written request for same on the other party. The parties shall, by mutual agreement, select a mediator within 15 days of the date of the request for mediation. If the parties cannot agree on the selection of a mediator then the CITY shall select the mediator who, if selected solely by the CITY, shall be a mediator certified by the Supreme Court of Florida. The mediator's fee shall be paid in equal shares by each party to the mediation.

13.5 Contract Amendment

Agreement extends only to those services specifically described herein. If upon the request of the City, the Contractor agrees perform additional services such as verification of data used in Official Statements, assistance with special financial projects, tax services, pension assistance and management advisory services, the City shall pay the Contractor for the performance of such additional services a schedule of compensation rates for these various types of additional work shall be included reflecting hourly rates applicable to projects which may be requested and negotiated with the City.

The City of Stuart reserves the right to order, in writing, changes in the work required by GASB or other regulatory/professional entities. The contractor has the right to request an equitable price adjustment in cases where modifications to the contract under the authority of this clause result in increased costs to the contractor. This agreement may be modified upon the written and mutual consent of both parties, and approval by appropriate legal bodies in the City of Stuart.

No modification, amendment or alteration in the terms or conditions contained in this Contract shall be effective unless contained in a written documents executed with the same formality and of equal dignity herewith. This Contract constitutes the entire agreement between the parties, and no prior, or contemporaneous oral agreement shall be binding on either party. If either party fails to enforce a portion of all of this Contract, it shall not constitute a waiver of the same.

13.6 Contractual Authority

By signing this Contract the Contractor swears or affirms, under penalty of perjury, that this is a valid act of the Contractor, and that no later claim shall be made by the CONTRACTOR that the Contract is invalid or an *ultra vires* act, by reason of a failure to have the proper authority to execute the Contract. In the event that a court of competent jurisdiction later determines that the Contract is or would be null and void for failure of the signatory to have proper or complete authority, this Contract shall nonetheless be deemed valid under the theory of "apparent authority," or in the sole alternative of the City, shall be deemed to be the act of the signatory, as an individual, who shall be fully responsible for its complete performance.

13.7 Sovereign Immunity

Nothing contained herein shall be construed or interpreted as a waiver of the sovereign immunity liability limits established under chapter 768.20 Florida Statutes as amended.

Section 14. Public Records

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 office of the City Clerk as the custodian of Public Records for the City of Stuart, and all the respective departments at 772-288-5306 or cwhite@ci.stuart.fl.us , City of Stuart, City Clerk 121 SW Flagler Avenue, Stuart, Fl. 34994 per F.S. 119.12.

Public Records Relating to Compliance, Request for Records; Noncompliance, & Civil Action with F.S. 119.0701 the Contractor shall:

Keep and maintain public records required by the public agency to perform the service.

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.

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.

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.

A request to inspect or copy public records relating to a public agency's contract for services must be made directly to the public agency. If the public agency does not possess the requested records, the public agency shall immediately notify the contractor of the request, and the contractor must provide the records to the public agency or allow the records to be inspected or copied within a reasonable time.

If a contractor does not comply with the public agency's request for records, the public agency shall enforce the contract provisions in accordance with the contract.

A contractor who fails to provide the public records to the public agency within a reasonable time may be subject to penalties under F.S. 119.10.

If a civil action is filed against a contractor to compel production of public records relating to a public agency's contract for services, the court shall assess and award against the contractor the reasonable costs of enforcement, including reasonable attorney fees, if:

- The court determines that the contractor unlawfully refused to comply with the public records request within a reasonable time; and
- At least 8 business days before filing the action, the plaintiff provided written notice of the public records request, including a statement that the contractor has not complied with the request, to the public agency and to the contractor.

A notice complies with subparagraph above, if it is sent to the public agency's custodian of public records and to the contractor at the contractor's address listed on its contract with the public agency or to the contractor's registered agent. Such notices must be sent by common carrier delivery service or by registered, Global Express Guaranteed, or certified mail, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.

A contractor who complies with a public records request within eight (8) business days after the notice is sent is not liable for the reasonable costs of enforcement.

Section 15. Exhibits

The following Exhibits are attached to and made a part of this Contract:

“**Exhibit A**” - "Proposal as Submitted by Respondent and Accepted by City"

“**Exhibit B**” - “Original Request for Proposal as Issued by City, including all Addenda”

“**Exhibit C**” - "Insurance and Indemnification."

IN WITNESS WHEREOF, the City has hereunto subscribed and the Contractor has signed his, its, or their name, or names the date aforesaid.

CITY OF STUART, FLORIDA

ATTEST:

CHERYL WHITE
CITY CLERK

TROY MCDONALD
MAYOR

**APPROVED AS TO FORM
AND CORRECTNESS:**

MICHAEL MORTELL
CITY ATTORNEY

WITNESSES:

CONTRACTOR

(Signature)

(Signature)

(Signature)

Printed Name

Title



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Department of Financial Services
Procurement & Contracting Services Division

Lenora Darden, CPPB
Procurement Manager
purchasing@ci.stuart.fl.us

Telephone (772) 288-5308
Fax: (772) 600-1202
www.cityofstuart.us

Date: June 29, 2017
To: All Prospective Proposers
Subj: Addendum #1 to RFP# 2017-173, Independent Auditing Services

ADDENDUM #1

A. The purpose of this addendum is to respond to questions submitted by potential proposers for clarification of the RFP as follows:

1. **Question:** What was the audit fees paid for FY 2016 and did that include any additional billing?

Answer: FY 16/17 \$81,780, includes single audit. No additional billings.

2. **Question:** What were the audit fees for each of the last three fiscal years?

Answer:

	Audit	Single Audit	Total
FY 2017	75,033	8,157	83,190
FY 2016	73,761	8,019	81,780
FY 2015	72,174	7,846	80,020

3. **Question:** If additional billings were required, what were the services related?

Answer: No additional billings.

4. **Question:** Who will be the members of the selection committee?

Answer: City staff.

5. **Question:** Will the City expect to be subject to a Florida Single Audit for FY 2017 and beyond?

Answer: No.

6. **Question:** Does the City expect to meet the requirements for a Federal Single Audit in 2017?

Answer: Yes.

7. **Question:** Can the current auditor respond to this RFP?

Answer: Yes.

8. **Question:** For how many years have the current auditors been contracted?
Answer: 5 Years = 1 yr with 4 (1) year renewals March 26, 2012 through March 25, 2017.
9. **Question:** How long has the current auditor been performing this audit?
Answer: Fiscal year 2006 to current.
10. **Question:** Could you please provide a copy of the prior auditors contract with the City?
Answer: The Contract with Cherry Bekaert LLP is available on the City website:
http://www.cityofstuart.us/index.php/component/easyfolderlistingpro/?view=download&format=raw&data=eNpNkMFqwzAQRH8l7L3YSiFp16fS0nOgHxAUe-0s2LJZrZxAyb9HsmzakzQjvZmVLBqDvx4PCO3YNyRQRXFE4MF25Auvo3BcXE8y1kFoIKfF6evbFx_OBdvvPken7AK7bvdDMnNNiyW2Vp-iYjoET5LDs4VQbkddIK9_xbH3fF68pN4y6uxASZYIy3DZ5QYqxjJDQv1k9frvVmRb7mljo9yXZv9ijEnyFYHuuu6mpl276T6xkN-CTcyyqra-pmdDdVnc90gIzUy39bMQnFWeY8_jCzfNaqs.
11. **Question:** Will the City personnel be preparing the City CAFR?
Answer: City staff prepares all the schedules and notes, the external auditor has compiled all the schedules into one document.
12. **Question:** Section 2.1 of the RFP states the requirement of two external review reports and Section 3.2 states the requirement of the most recent external review. Does the City prefer one or two?
Answer: One.
13. **Question:** The RFP makes reference to payment method of City Purchasing Card (VISA). If the proposer does not accept visa credit payment, will this negatively impact our bid?
Answer: No.
14. **Question:** Are there any material current events that will affect the City during the 9/30/17 fiscal year (lawsuits, debt issuances, changing software, new programs, loss/gain of major funding source)?
Answer: No material changes for financial statements.
15. **Question:** When has the interim and year-end fieldwork historically run? Are there any desired changes in that timing??
Answer: The interim work has been done in January for the last two years. A change is needed interim work should be complete by November 30.
16. **Question:** Have there been any significant changes in internal controls since the prior audit?
Answer: No.
17. **Question:** Has there been any significant turnover in management or key Finance staff since the prior audit?
Answer: The City Manager will retire on July 7. No changes to Finance Staff.

18. **Question:** Has there been any significant change in the amount of federal or state financial assistance expended?
Answer: No.
19. **Question:** Has the City issued any new debt during the current fiscal year?
Answer: No.
20. **Question:** What is the reasoning for the audit RFP?
Answer: The prior contract has expired.
21. **Question:** Does the City manage its own IT environment?
Answer: Yes.
22. **Question:** Are all of the applications supported centrally, or do various units within the City manage the applications through a decentralized process?
Answer: Financial systems are centralized and integrated.

B. Please see the attached table with respect to applications used for financial reporting.

All other terms and conditions of this RFP remain unchanged.

This Addendum shall be considered an integral part of the RFP and Contract Documents and this Addendum must be acknowledged, signed and returned with your submittal **by 2:30 p.m. on July 19, 2017.** Failure to comply will result in disqualification of your submittal. All inquiries must be in accordance with Item 1.6 of the RFP.



Lenora Darden, CPPB
 Procurement Manager
 City of Stuart, Florida

Acknowledgement is hereby made of Addendum #1 to RFP# 2017-173, Independent Auditing Services.

 Signature

 Firm

 Date

 Email Address

System #	System Function	Name of System	Managed-in House or Outsourced	Purchased Application or Developed in-house	Are customizations made to the application?	Operating System	Database	Data Center Location
1	General Ledger	Superion – Finance Plus		Purchased	No			City of Stuart
2	Accounts Payable	Superion – Finance Plus		Purchased	No			City of Stuart
3	Accounts Receivable	Superion – Community Plus		Purchased	No			City of Stuart
4	Revenue (Fare collection)							
5	Payroll	Superion – Finance Plus		Purchased	No			City of Stuart

EXHIBIT C

"INSURANCE & INDEMNIFICATION"



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/29/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 200 S. Orange Avenue, Suite 1350 Orlando FL 32801		CONTACT NAME: Kelly Nace, CRM PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: Kelly_Nace@ajg.com	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Depositors Insurance Company	NAIC # 42587
INSURED Moore Stephens Lovelace PA 255 S. Orange Ave, Suite 600 Orlando, FL 32801		INSURER B: Allied Insurance Company of America	10127
		INSURER C: Travelers Casualty and Surety Company	19038
		INSURER D: Travelers Indemnity Co of America	25666
		INSURER E:	
		INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 1464479999 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER: _____	Y		ACP 3028039875	12/15/2016	12/15/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y		ACP BAPD 3036438245	12/15/2016	12/15/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ _____			ACP CAP 3036438245	12/15/2016	12/15/2017	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	IAUB3888T38916 IDTCHUB-3869T77-A17	3/1/2017 3/1/2017	3/1/2018 3/1/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Project number: 2017-173
Project name: Independent Auditing Services

City of Stuart is named as additional insured for General Liability and Auto Liability Policies where required by written contract. ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION PB 04 48 11 14 form applies.
30 Day Notice of Cancellation applies.

CERTIFICATE HOLDER

CANCELLATION

City of Stuart 121 SW Flagler Avenue Stuart FL 34994	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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