



Department of Environmental Protection

Jeb Bush
Governor

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

David B. Struhs
Secretary

August 30, 1999

Certified Mail

Mr. Walt Gossett
Nassau County
P.O. Box 1010
3163 Bailey Road
Fernandina Beach, FL 32035

99 SEP -8 PM 12:35
COMM-FBI
TALLAHASSEE

RE: South Amelia Island Beach Nourishment Project (99NA2)

Dear Mr. Gossett:

Enclosed are three copies of a proposed grant agreement between the Department of Environmental Protection and Nassau County. The agreement will allow for the release of funds for the subject project.

Please obtain the necessary signatures and return the documents to this office. An original copy will be forwarded to you upon full execution by this Department.

Should you have any questions, please contact me at 850/487-1262, ext. 170, or 277-1262 if you are on the SunCom network.

Sincerely,

Russell Snyder
Bureau of Beaches and Coastal Systems

Enclosures

*Original received
10-13-99
Copies to
Bill Moore
Finan
Walt
Original in
99-2000 Contract
File "E"*

2

DEP Contract No. 99NA2
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF BEACHES AND COASTAL SYSTEMS
FLORIDA BEACH EROSION CONTROL PROGRAM

Project Agreement

THIS AGREEMENT is entered into between the FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (hereinafter referred to as the "DEPARTMENT") and Nassau County (hereinafter referred to as the "LOCAL SPONSOR") for the project described herein.

WHEREAS, the DEPARTMENT, pursuant to Chapter 161, Florida Statutes, provides financial assistance to eligible local governments for beach erosion control activities under the Florida Beach Erosion Control Program; and

WHEREAS, the LOCAL SPONSOR has the capabilities of performing the tasks associated with the beach erosion control project as described herein.

NOW, THEREFORE, in consideration of the mutual benefits to be derived herefrom, the DEPARTMENT and the LOCAL SPONSOR do hereby agree as follows:

1. The DEPARTMENT does hereby retain the LOCAL SPONSOR to implement the beach erosion control project known as the South Amelia Island Beach Nourishment Project, (hereafter referred to as the PROJECT), as defined in Exhibit "A", the Scope of Work, and the LOCAL SPONSOR does hereby agree to perform such services upon the terms and conditions set forth in this Agreement and all attachments and exhibits named herein which are attached hereto and incorporated by reference.

2. The LOCAL SPONSOR shall perform the services in a proper and satisfactory manner as determined by the DEPARTMENT. Any and all equipment, products or materials necessary to perform these services, or requirements as further stated herein, shall be supplied by the LOCAL SPONSOR.

3. The LOCAL SPONSOR shall perform as an independent contractor and not as an agent, representative, or employee of the DEPARTMENT.

4. The LOCAL SPONSOR shall implement the PROJECT and complete said PROJECT upon the terms and conditions set forth in this Agreement and future requisite authorizations and environmental permits. The PROJECT consists of the restoration and maintenance of 4.2 miles of Atlantic shoreline located between DNR reference monuments R59-R80. The LOCAL SPONSOR shall develop a detailed Scope of Work for each eligible PROJECT item, as specified below. Written authorization to initiate each item must be obtained from the DEPARTMENT prior to the initiation of said item.

5. The DEPARTMENT and the LOCAL SPONSOR agree that the estimated

costs of the PROJECT are:

Eligible PROJECT Items	ESTIMATED PROJECT COSTS		
	State	Local	Total
Feasibility Study	\$ 120,000	\$ 40,000	\$ 160,000

6. The DEPARTMENT's financial obligation shall not exceed the sum of \$120,000.00 for this phase of the PROJECT or up to 75% of the non-federal PROJECT cost for the specific eligible PROJECT item listed above, whichever is less. The DEPARTMENT and the LOCAL SPONSOR agree that any and all activities associated with the PROJECT that are not shown in the above eligible PROJECT items listing are the responsibility of the LOCAL SPONSOR and are not a part of this Agreement. The LOCAL SPONSOR agrees that any costs for the specific eligible PROJECT items which exceed the estimated PROJECT costs for that item shall be the responsibility of the LOCAL SPONSOR. Any modifications to the estimated PROJECT costs shall be provided through amendments to this Agreement.

7. The DEPARTMENT will not approve disbursement of funds for payment of eligible PROJECT item costs until such time as all requisite authorizations and environmental permits, including those required pursuant to Chapters 161, 253, 258, and 373, Florida Statute, have been obtained.

8. THIS PARAGRAPH LEFT INTENTIONALLY BLANK

9. As consideration for the work performed by the LOCAL SPONSOR under the terms of this Agreement, the DEPARTMENT shall pay the LOCAL SPONSOR as specified herein. A total of \$120,000 was forwarded to the LOCAL SPONSOR from the Nassau Soil and Water Conservation District, pursuant to an Agreement executed by the District and the DEPARTMENT, to serve as the state's share of the non-federal cost. The LOCAL SPONSOR will maintain the \$120,000 advance funds in an interest bearing account. Upon satisfactory performance, such funds may be disbursed by the LOCAL SPONSOR for eligible PROJECT item costs only upon approval by the DEPARTMENT. Only the principal amount of \$120,000 shall be disbursed for eligible PROJECT item costs. Interest accruing on the principal amount shall be conveyed to the DEPARTMENT at such time as the PROJECT is certified complete. It is agreed by the DEPARTMENT and the LOCAL SPONSOR that the rate of interest accrued as a result of the account shall be equal to the prevailing rate of

interest. The LOCAL SPONSOR will submit a request for reimbursement of funds on such forms as are attached hereto as Exhibit "B", not more frequently than quarterly. These forms shall be certified as accurate by the LOCAL SPONSOR's Project Administrator and the LOCAL SPONSOR's Project Financial Officer and submitted to the DEPARTMENT as a payment request. The DEPARTMENT's Contract Manager has 30 days after receipt of the request for payment to determine that the work has been accomplished prior to approving the payment request. Upon approval of the payment request the DEPARTMENT shall submit to the LOCAL SPONSOR a written notice of approval.

The LOCAL SPONSOR, upon approval notification, will withdraw from the interest bearing account the amount of the payment request less ten percent (10%), which shall be retained on account. The cumulative amount retained shall be approved for disbursement to the LOCAL SPONSOR upon approval by the DEPARTMENT of the PROJECT's completion. All reimbursement requests shall be submitted in sufficient detail for a proper pre-audit and post-audit review. Reimbursement requests for payment to subcontractors must be substantiated by copies of invoices with backup documentation identical to that required from the LOCAL SPONSOR. Travel expenses and per diem must be documented by a State of Florida Travel Voucher with appropriate receipts.

All requests for reimbursement of travel expenses shall be submitted in accordance with Section 112.061, Florida Statutes.

10. In accordance with Section 215.422, Florida Statutes, the DEPARTMENT shall pay the LOCAL SPONSOR interest, at a rate as established by Section 55.03(1), Florida Statutes, on the unpaid balance, if a warrant in payment of an invoice is not issued within 40 days after receipt of a correct invoice and receipt, inspection, and approval of the goods and services. Interest payments of less than \$1 will not be enforced unless a LOCAL SPONSOR requests payment. The interest rate established pursuant to Section 55.03(1), by Comptroller's Memorandum No. 3 (1997-98) dated December 3, 1997, has been set at 10.0% per annum or .02740% per day. The revised interest rate for each calendar year beyond 1998 for which the term of this Agreement is in effect can be obtained by calling the Department of Banking and Finance, Vendor Ombudsman at the telephone number provided above or the DEPARTMENT's Contracts Section at 850/922-5942.

11. The LOCAL SPONSOR shall submit to the DEPARTMENT quarterly progress and financial reports for the duration of this Agreement. Reports shall be submitted on such forms as attached hereto in Exhibit "C" no later than January 15, April 15, July 15, and October 15, of each year in which the project is underway. Progress reports shall describe the work performed since the last report and the percent completion of the task. Financial reports shall be consistent with progress reports.

12. Upon completion of the PROJECT, the LOCAL SPONSOR shall submit to the DEPARTMENT a certification of completion, attached hereto as Exhibit "D". A final PROJECT certification inspection will be made by the DEPARTMENT within 60 days after the PROJECT is certified complete by the LOCAL SPONSOR.

13. This Agreement shall begin on the last date executed and end on September 30, 2000. Pursuant to Section 161.101 (15), Florida Statutes, work conducted on this PROJECT by the LOCAL SPONSOR or its subcontractor

beginning on or after July 1, 1999, shall be eligible for cost sharing by the DEPARTMENT.

14. The LOCAL SPONSOR shall, at a minimum, comply with monetary limits for competitive acquisition of both materials and services as required by Chapter 287, Florida Statutes, which is expressly made a part of this Agreement and is incorporated herein by reference as if fully set forth. The DEPARTMENT shall review and approve in writing all proposed subcontracts prior to the execution of the subcontract by the LOCAL SPONSOR and subcontractor.

15. The LOCAL SPONSOR shall have in place quality assurance procedures that insure that proper quality control measures are incorporated into all work performed under the terms of this Agreement. The DEPARTMENT shall review and approve in writing a quality assurance program prior to the initiation of the PROJECT.

16. The provisions of Chapter 62B-36, Florida Administrative Code, entitled Florida Beach Erosion Control Assistance Program, are expressly made a part of this Agreement and are incorporated herein by reference as if fully set forth.

17. The DEPARTMENT's Project Manager is Russell Snyder, or his successor.

18. Each party hereto agrees that it shall be solely responsible for the negligent or wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of Section 768.28, Florida Statutes.

19. The DEPARTMENT may terminate this Agreement at any time in the event of the failure of the LOCAL SPONSOR to fulfill any of its obligations under this Agreement. Prior to termination, the DEPARTMENT shall provide ten (10) calendar days written notice of its intent to terminate and shall provide the LOCAL SPONSOR an opportunity to consult with the DEPARTMENT regarding the reason(s) for termination. The DEPARTMENT may terminate this Agreement without cause and for its convenience by giving thirty (30) calendar days written notice to the LOCAL SPONSOR. Notice shall be sufficient if delivered personally or by certified mail to the address set forth in Paragraph 20.

20. Any and all notices shall be delivered to the parties at the following addresses:

LOCAL SPONSOR
Walt Gossett
Nassau County
PO Box 1010
3163 Bailey Rd.
Fernandina Beach, Florida 32035
(904) 321-5782

DEPARTMENT
Russell Snyder
Department of Environmental
Protection
Office of Beaches and Coastal Systems
3900 Commonwealth Blvd., MS 310
Tallahassee, Florida 32399-3000
(850) 487-1262, ext. 170

21. Pursuant to Section 216.2815, Florida Statutes, all records in conjunction with this Agreement shall be public records and shall be treated in the same manner as other public records are under general law. This Agreement may be unilaterally canceled by the DEPARTMENT for refusal by the LOCAL SPONSOR to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the LOCAL SPONSOR in conjunction with this Agreement.

22. In accordance with Section 216.349, Florida Statutes (financial review of grants and aids appropriations), the LOCAL SPONSOR shall provide to the DEPARTMENT an audit of this Agreement in accordance with the rules of the Auditor General promulgated pursuant to Section 11.45, Florida Statutes. The DEPARTMENT reserves the right to recover costs for failure to comply with Section 216.349, Florida Statutes. Copies of the required audit, shall be sent to each of the following within thirteen (13) months after completion of the LOCAL SPONSOR's fiscal year in which the Agreement was completed.

Russell Snyder
Department of Environmental Protection
3900 Commonwealth Blvd., MS 310
Tallahassee, Florida 32399-3000

Audit Director
Department of Environmental Protection
2600 Blair Stone Road, MS40
Tallahassee, Florida 32399-2400

Audit Manager
Office of the Auditor General
P.O. Box 1735
Tallahassee, Florida 32302

To ensure compliance with Section 216.349, Florida Statutes, Chapter 10.600, Rules of the Auditor General is provided as Exhibit "E". Although this document is provided as an attachment to this Agreement, the LOCAL SPONSOR acknowledges that this rule is subject to periodic revision by the Auditor General, and as such, the LOCAL SPONSOR agrees to comply with the effective version of the rule at the time of satisfying the audit requirements of this Agreement.

23. In accordance with Section 216.347, Florida Statutes, the LOCAL SPONSOR is hereby prohibited from using funds provided by this Agreement for the purposes of lobbying the Legislature, the judicial branch or a state agency.

24. The LOCAL SPONSOR shall maintain books, records and documents

directly pertinent to performance under this Agreement in accordance with generally accepted accounting principles consistently applied. The DEPARTMENT, the State, or their authorized representatives shall have access to such records for audit purposes during the term of this Agreement and for three years following Agreement completion. In the event any work is subcontracted, the LOCAL SPONSOR shall similarly require each subcontractor to maintain and allow access to such records for audit purposes.

25. The LOCAL SPONSOR covenants that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of services required.

26. This Agreement has been delivered in the State of Florida and shall be construed in accordance with the laws of Florida. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Any action hereon or in connection herewith shall be brought in Leon County, Florida.

27. No delay or failure to exercise any right, power or remedy accruing to either party upon breach or default by either party under this Agreement, shall impair any such right, power or remedy of either party; nor shall such delay or failure be construed as a waiver of any such breach or default, or any similar breach or default thereafter.

28. The LOCAL SPONSOR recognizes that the State of Florida, by virtue of its sovereignty, is not required to pay any taxes on the services or goods purchased under the terms of this Agreement.

29. This Agreement is neither intended nor shall it be construed to grant any rights, privileges or interest in any third party without the mutual written agreement of the parties hereto.

30. No person, on the grounds of race, creed, color, national origin, age, sex, or disability, shall be excluded from participation in; be denied the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.

31. This Agreement is an exclusive contract for services and may not be assigned in whole or in part without the written approval of the DEPARTMENT.

32. The LOCAL SPONSOR shall not subcontract, assign, or transfer any work under this Agreement without the prior written consent of the DEPARTMENT's Project Manager. The LOCAL SPONSOR agrees to be responsible for the fulfillment of all work elements included in any subcontract consented to by the DEPARTMENT and agrees to be responsible for the payment of all monies due under any subcontract. It is understood and agreed by the LOCAL SPONSOR that the DEPARTMENT shall not be liable to any

subcontractor for any expenses or liabilities incurred under the subcontract and that the LOCAL SPONSOR shall be solely liable to the subcontractor for all expenses and liabilities incurred under the subcontract.

33. The LOCAL SPONSOR warrants and represents that it is self-funded for liability insurance, appropriate and allowable under Florida Law, and that such self-insurance offers protection applicable to the LOCAL SPONSOR's officers, employees, servants and agents while acting within the scope of their employment with the LOCAL SPONSOR.

34. The purchase of non-expendable equipment costing \$500 or more is not authorized under the terms and conditions of this Agreement.

35. The DEPARTMENT may at any time, by written order designated to be a change order, make any change in the work within the general scope of this Agreement (e.g., specifications, time, method or manner of performance, requirements, etc.). All change orders are subject to the mutual agreement of both parties as evidenced in writing. Any change order which causes an increase or decrease in the LOCAL SPONSOR's cost or time shall require an appropriate adjustment and modification (formal amendment) to this Agreement.

36. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not perform work as a grantee, 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 in Section 287.017, F.S., for Category Two for a period of 36 months from the date of being placed on the convicted vendor list.

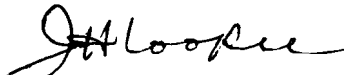
37. This Agreement represents the entire agreement of the parties. Any alterations, variations, changes, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement, unless otherwise provided herein.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties have caused these presents to be duly executed, the day and year last written below.

NASSAU COUNTY

DEPARTMENT OF ENVIRONMENTAL PROTECTION


By: J. H. Cooper
Commission Chair*

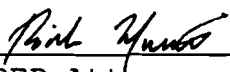
By: _____
Secretary or designee


Date: 9/27/99

Date: _____

APPROVED AS TO FORM AND LEGALITY:


Contract Manager

 8/24/99
DEP Attorney

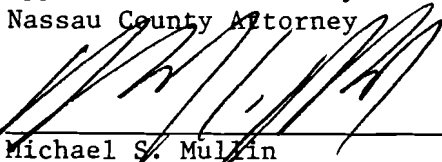


*If someone other than the Commission Chair signs the project agreement, a resolution, statement or other documentation authorizing that person to sign the agreement on behalf of the County must accompany the agreement.

ATTEST:


J. M. "Chip" Oxley, Jr.
Ex-Officio Clerk

Approved as to Form by the Nassau County Attorney


Michael S. Mulrin

LIST OF EXHIBITS

- A Scope of Work
- B Payment Request Forms
- C Progress and Financial Reporting Forms
- D Project Completion Certification
- E Chapter 10.600, Rules of the Auditor General

EXHIBIT A

SCOPE OF WORK

The Nassau County Beach Restoration Project shall be conducted in accordance with the terms and conditions set forth under DEP Contract No. 99NA2, and will consist of the tasks described below. Nassau County shall develop a detailed Scope of Work for each project task. Written authorization to initiate each task must be obtained from the Department of Environmental Protection prior to the initiation of each task.

The specific task to be conducted:

- I. A Phase I Feasibility Study to evaluate beach management alternatives for stabilizing the south end of Amelia Island. The Study shall include the following:
 - A. An updated hydrographic survey of the south end of Amelia Island.
 - B. Updated aerial photography.
 - C. Review and analysis of all relevant South Amelia monitoring data obtained since 1994.
 - D. A projection of near-term shoaling and morphological changes along Amelia Island State Recreation Area shoreline since beach restoration in 1994.
 - E. A review of any environmental resource issues or factors.
 - F. Conceptual designs for various structural alternative solutions, i.e., single versus multiple structure approaches.
 - G. Design analyses for linear versus T-head type groin structures.
 - H. Analysis of beach public access and use considerations.
 - I. Economic and environmental analyses of alternative solutions and probable costs-to-construct.
 - J. Selection of a recommended plan.
 - K. Formulation of schematics suitable for permit submittal.

L. Formulation of a detailed Report of Findings. 10 Copies of the final report shall be provided to the Department.

M. Liaison with the Florida D.E.P. and local interests regarding future Beach Management funding assistance required for project implementation, i.e., Phase II and III activities.

A Technical Review Committee ("TRC") shall be formed to facilitate the development of the study. The TRC shall be comprised of representatives of Nassau County and the Department of Environmental Protection's Division of Recreation and Parks and Office of Beaches and Coastal Systems. The TRC shall be chaired by a representative of the Office of Beaches and Coastal Systems of the Department of Environmental Protection. Periodic meetings of the TRC shall be conducted throughout the development of the study as necessary.

Project Deliverables

- A. Reports - Unless otherwise noted above, two copies of all written reports developed under this Agreement shall be forwarded to the Department upon completion of the project.
- B. Additional Data - Two sets of all data (i.e., aerial photography, survey data, etc.) developed as a result of this Agreement shall be provided to the Department upon completion of the project.

Data Development

All data developed as a result of this Agreement shall be developed in accordance with standard formats acceptable to the Department.

Survey work to be performed shall meet the technical standards for surveys in accordance with Chapter 61G-17, Florida Administrative Code.

All monumentation set or points of origin established shall be based upon those control markers designated on the most recently recorded legal description of the Coastal Construction Control Line, except that any First or Second Order federal or state horizontal control marker may be used to establish or confirm position and direction and any First, Second, or Third Order federal or state vertical control marker shall be used to establish or confirm elevation. G.P.S., Traverse, and Level Loop information shall be adjusted by Compass, Crandell, or Least Square Method. Detailed field notes and computation records shall be kept of the survey and copies shall be made available to the Department upon request. Abstracts of all monumentation or points of origin shall be submitted in digital form and contain at a minimum all field requirements for the Department's Monument Information Tracking System. All profile data shall be submitted in digital form and conform to the standard formats acceptable to the Department.

Information Tracking System. All profile data shall be submitted in digital form and conform to the standard formats acceptable to the Department.

EXHIBIT B

PAYMENT REQUEST FORMS

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
 FLORIDA BEACH EROSION CONTROL PROGRAM

REQUEST FOR PAYMENT

Name of Project: South Amelia Island Beach Nourishment

Grantee: Nassau County

DEP Contract Number: 99NA2

Billing Number: _____

Billing Period: _____

Costs Incurred This Payment Request

	<u>Total Cost</u>	<u>State Share</u>		<u>Local Share</u>
Contractual	_____	_____		_____

Cost Summary

State Funds Obligated	\$ 120,000.00	Local Funds Obligated	\$ 40,000.00
Less Previous Payment	_____	Less Previous Credits	_____
Less This Payment	_____	Less This Credit	_____
Less Retainage (10%)	_____		
Less Previous Retained	_____		
State Funds Remaining	_____	Local Funds Remaining	_____

Certification: I certify that this billing is correct and is based upon actual obligations of record by the grantee; that payment from the State Government has not been received; that the work and/or services are in accordance with the Department of Environmental Protection, Bureau of Beaches and Coastal System's approved Project Agreement including any amendments thereto; and that progress of the work and/or services are satisfactory and are consistent with the amount billed.

 Name of Project Administrator

 Signature of Project Administrator

 Date

 Name of Project Financial Officer

 Signature of Project Financial Officer

 Date

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
FLORIDA BEACH EROSION CONTROL PROGRAM

CONTRACTUAL SERVICES

Name of Project: South Amelia Island Beach Nourishment

Grantee: Nassau County

DEP Contract Number: 99NA2

Billing Number: _____

Billing Period: _____

Summary of Invoices

<u>Date of Invoice</u>	<u>Invoice Number</u>	<u>Amount of Invoice</u>	<u>Name of Vendor</u>	<u>Check Number</u>	<u>Amount Paid</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
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_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

\$ _____ TOTAL

Certification: I certify that the purchases noted above were used in accomplishing the project; and that invoices, check vouchers, copies of checks, and other purchasing

documentation attached hereto and are maintained as required to support the cost reported above and are available for audit upon request.

Name of Project Administrator

Signature of Project Administrator

Date

Name of Project Financial Officer

Signature of Project Financial Officer

Date

PROGRESS AND FINANCIAL REPORTING FORMS

EXHIBIT C

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
FLORIDA BEACH EROSION CONTROL PROGRAM

QUARTERLY PROGRESS REPORT

Name of Project: South Amelia Island Beach Nourishment

Grantee: Nassau County

DEP Contract Number: 99NA2

Quarterly Report Period: _____

Status of Eligible Project Items: (Describe progress accomplished during report period, including statement(s) regarding percent of task completed to date. Describe any implementation problems encountered, if applicable.)

I. Feasibility Study

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
FLORIDA BEACH EROSION CONTROL PROGRAM

QUARTERLY FINANCIAL REPORT

Name of Project: South Amelia Island Beach Nourishment

Grantee: Nassau County

DEP Contract Number: 99NA2

Quarterly Report Period: _____

Project Expenditures

<u>Eligible Project Items</u>	<u>Costs Incurred This Quarter</u>	<u>Costs Incurred to Date</u>	<u>Total Funds Obligated</u>
Feasibility Study	_____	_____	\$ 120,000
TOTAL	_____	_____	\$ 120,000

EXHIBIT D

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
FLORIDA BEACH EROSION CONTROL PROGRAM

PROJECT COMPLETION CERTIFICATION

Name of Project: South Amelia Island Beach Nourishment

Grantee: Nassau County

DEP Contract Number: 99NA2

I hereby certify that the above mentioned project has been completed in accordance with the Project Agreement, including any amendments thereto, between the Department of Environmental Protection and grantee, and all funds expended for the project were expended pursuant to the Project Agreement.

Name of Project
Administrator

Signature of Project
Administrator

Date

EXHIBIT E

RULES OF THE AUDITOR GENERAL

CHAPTER 10.600

**AUDITS OF STATE GRANTS AND AIDS APPROPRIATIONS
UNDER SECTION 216.349, FLORIDA STATUTES**

EFFECTIVE 9-30-97

**RULES OF THE AUDITOR GENERAL
CHAPTER 10.600**

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PREFACE TO RULES

Section 216.349, Florida Statutes, imposes audit requirements on recipients of grants and aids appropriations from State agencies. The grants and aids appropriations referred to in Section 216.349, Florida Statutes, are those designated as "grants and aids" in a Florida appropriations act. The beginning point of any audit required by this section of law should be a determination of which State moneys received by the auditee are grants and aids appropriations as described above.

The Auditor General has no authority or responsibility to determine which grants and aids are covered by this section of the Florida Statutes. Because of responsibilities assigned to the administering State agency and the Comptroller of the State of Florida, either or both should be able to assist the auditee in determining which grants and aids come under Section 216.349, Florida Statutes. The administering State agency should also be consulted regarding any specific form requirements for the required report and schedule.

These rules apply only to grants made by State agencies from appropriations designated as "grants and aids" in a Florida appropriations act. These rules do not apply to grants made from sources of money other than those designated as "grants and aids" in a Florida appropriations act.

There may be occasions when State grants and aids appropriations moneys received from a State agency include Federal moneys. Certain changes to these rules have been made to assist State agency Federal award pass-through recipients in their effort to implement new Federal requirements (i.e., Single Audit Amendments of 1996 and revised OMB Circular A-133) while still complying with the Section 216.349, Florida Statutes, requirements. The most significant change to these rules is the requirement that the auditor conduct an examination in accordance with AICPA attestation standards and issue an examination attestation report addressing compliance with the grant requirements.

Since the primary objective of a Section 216.349, Florida Statutes, audit is to determine the recipient's compliance with the grant provisions (including a determination of whether the grant funds were used for authorized purposes), an examination conducted in accordance with AICPA attestation standards should be sufficient to meet this objective. AICPA attestation standards are not significantly different from AICPA auditing standards and the level of audit work necessary to meet this objective would not vary significantly whether done as part of an audit or as part of an attestation engagement. An examination done in accordance with AICPA attestation standards provides a high level of assurance (i.e., an opinion) and should satisfy the monitoring needs of pass-through Federal award recipients. Examinations intended to satisfy such monitoring needs would be limited to the five types of compliance requirements specified in OMB Circular A-133 for limited scope audits.

Another advantage of an examination conducted in accordance with AICPA attestation standards is that the auditor's examination attestation report is essentially the same regardless of whether or not the grants and aids recipient is a local government, not-for-profit or for-profit organization, or had a financial statement audit. The use of the same report to satisfy applicable Federal subrecipient monitoring requirements and/or State grants and aids appropriations audit requirements should ease administrative burdens imposed on State agencies.

The basis for determining which Federal award recipients are required to have a Federal single audit (i.e., **amount of Federal awards expended**) differs from the basis for determining which grants and aids recipients are required to provide for an audit pursuant to Section 216.349, Florida Statutes (i.e., **the amount of grants and aids moneys received**). Accordingly, Federal award recipients required to provide for an audit pursuant to the Federal Single Audit Act must prepare a schedule of expenditures of Federal awards whereas State grants and aids recipients required to provide for an audit pursuant to Section 216.349, Florida Statutes, must prepare a schedule of State financial assistance. Because information required for a schedule of expenditures of Federal awards differs from that required for a schedule of State financial assistance, State grants and aids moneys that involve Federal awards will have to be included on the schedule of expenditures of Federal awards (when that schedule is required pursuant to the Federal Single Audit Act) and on the schedule of State financial assistance. The schedule of State financial assistance should be footnoted to indicate the extent of duplication of moneys on the two schedules.

The auditor must determine from the grant agreement and/or inquiries with the granting agency the level or amount of testing necessary to report on whether or not the expenditures of the grants were in accordance with all legal and regulatory requirements and that the funds were not used for the purpose of lobbying the Legislature, the judicial branch, or a State agency. Nothing in these rules precludes the auditor from testing grant moneys for both Federal and State requirements at the same time. However, as stated earlier, these rules do require a schedule of State financial assistance and the auditor's examination attestation report should refer specifically to the schedule of State financial assistance. The schedule of State financial assistance should clearly distinguish State grants and aids moneys from other State financial assistance. Nothing contained in these rules precludes a State granting agency from imposing requirements that are in addition to those specified in these rules.

History: New 06-30-93 Amended 06-30-94, 06-30-95, 09-30-97

10.610 DEFINITIONS

- (1) As used in these Rules, the term:
- (a) "Local governmental entity" means a county agency, municipality, or special district or any other entity (other than a district school board or community college), however styled, that independently exercises any type of governmental function.
 - (b) "Nonprofit organization" means any organization which meets the definition of a not-for-profit organization provided in Financial Accounting Standards Board Statement 116, Appendix D.
 - (c) "For-profit organization" means any organization which is not a governmental entity or a nonprofit organization.

General Authority and Law Implemented - Section 11.45, Florida Statutes, and Section 216.349, Florida Statutes.

History: New 06-30-92 Amended 06-30-93, 06-30-94, 06-30-95, 09-30-97

10.620 AUDIT REQUIREMENTS

- (1) When an audit is required pursuant to Section 216.349, Florida Statutes, the audit shall be an examination conducted in accordance with attestation standards promulgated by the American Institute of Certified Public Accountants. Grantor State agencies may also impose additional requirements.
- (2) The report produced in compliance with Section 216.349, Florida Statutes, shall contain a schedule of State financial assistance which meets the requirements of the granting agency(s) and a written report which includes an opinion on management's assertion about the entity's compliance with grant requirements. Additionally, the report should refer to the schedule of State financial assistance and should indicate whether, in the auditor's opinion, the applicable management assertions are fairly stated in all material respects.

General Authority and Law Implemented - Section 11.45, Florida Statutes, and Section 216.349, Florida Statutes.

History: New 06-30-92 Amended 06-30-93, 06-30-94, 06-30-95, 09-30-97

10.630 EFFECTIVE DATE

These Rules, as amended, shall take effect September 30, 1997, and are applicable to audits for fiscal years ending September 30, 1997, and thereafter.

General Authority and Law Implemented - Section 11.45, Florida Statutes, and Section 216.349, Florida Statutes.

History: New 06-30-92 Amended 06-30-93, 06-30-94, 06-30-95, 09-30-96, 09-30-97.

Renumbered 09-30-97 (formerly 10.640)

APPENDIX

EXCERPT FROM FLORIDA STATUTES, 1997

216.349 Financial review of grants and aids appropriations; audit or attestation statement.--

- (1) Before disbursing any funds from a grants and aids appropriation pursuant to a grant or contract, the state agency, or the judicial branch, authorized by the appropriations act to administer the funds and the Comptroller must independently ensure that the proposed expenditure is in accordance with all legal and regulatory requirements and find that the terms of the grant or contract specifically prohibits the use of funds for the purpose of lobbying the Legislature, the judicial branch, or a state agency.
- (2) Any local governmental entity, nonprofit organization, or for-profit organization that is awarded funds from a grants and aids appropriation by a state agency shall:
 - (a) If the amounts received exceed \$100,000, have an audit performed in accordance with the rules of the Auditor General promulgated pursuant to s. 11.45;
 - (b) If the amounts received exceed \$25,000 but do not exceed \$100,000, have an audit performed in accordance with the rules of the Auditor General promulgated pursuant to s. 11.45 or have a statement prepared by an independent certified public accountant which attests that the receiving entity or organization has complied with the provisions of the grant; or
 - (c) If the amounts received do not exceed \$25,000, have the head of the entity or organization attest, under penalties of perjury, that the entity or organization has complied with the provisions of the grant.

All audits performed or attestation statements prepared under this subsection shall be filed with the granting agency and with the Auditor General.

History. -- s. 29, ch. 91-109; s. 78, ch. 92-142.

Note: The above excerpt from the Florida Statutes is based on Section 216.349, Florida Statutes (1996 Supplement), which was not amended during the 1997 legislative session. The codified 1997 Florida Statutes were not available at the time these Rules were updated.

CHAPTER 10.600, RULES OF THE AUDITOR GENERAL