

Contract No. CM2444  
Bid/RFP No. NC17-008

**Professional Auditing Services Agreement**

THIS AGREEMENT entered into this 24th day of July, 2017, by and between the **BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, a political subdivision of the State of Florida**, hereinafter referred to as the "County", and **CARR, RIGGS & INGRAM, LLC** hereinafter referred to as the "Auditor".

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

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

1. General and Specific Conditions in RFP.

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

2. General Information and Minimum Insurance Requirements.

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

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

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

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

COMMERCIAL GENERAL LIABILITY INSURANCE

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

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

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

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

WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE

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

life of this Contract.

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

Part One – Workers' Compensation Insurance – Unlimited

Statutory Benefits as provided in the Florida Statutes and

Part Two – Employer's Liability Insurance

Bodily Injury By Accident \$500,000 Each Accident

Bodily Injury By Disease \$500,000 Policy Limit

Bodily Injury By Disease \$500,000 Each Employee

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

#### AUTOMOBILE LIABILITY INSURANCE

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

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

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

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

#### PROFESSIONAL LIABILITY (ERRORS & OMISSIONS)

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

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

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

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

Project Specific

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. Term.

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

4. Time requirements for Services.

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

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

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

be submitted on or before September 30.

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

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

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

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

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

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

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

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

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

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

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

6. Auditor Independence.

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

7. Additional Responsibilities.

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

8. Planning.

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



conferences and exit conference referenced herein.

9. Invoices.

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

10. Compensation.

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

11. Other Services/Specifications.

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

12. Manner of Payment.

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

13. Termination.

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

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

14. Termination without Cause.

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

15. Miscellaneous.

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

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

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

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

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

#### 16. Public Records

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

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

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

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

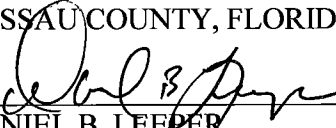
17. Entire Agreement.

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

18. Effective Date.

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

BOARD OF COUNTY COMMISSIONERS  
NASSAU COUNTY, FLORIDA

  
\_\_\_\_\_  
DANIEL B. LEEPER  
Its: Chairman

ATTEST:

  
\_\_\_\_\_  
JOHN A. CRAWFORD  
Its: Ex-Officio Clerk

MES  
07.26.17

Approved as to form by the  
Nassau County Attorney

  
\_\_\_\_\_  
MICHAEL S. MULLIN

Carr, Riggs & Ingram, LLC

By: M. Ronald Hargraves, Jr.

Print Name: M. RONALD HARGRAVES, JR.

Title: PARTNER

STATE OF Florida  
COUNTY OF Duval

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

WITNESS my hand and official seal, this 21<sup>st</sup> day of July, 2017.

Linda B. Griffis

Notary Signature

Notary-Public-State of Florida at large

My Commission expires:





Carr, Riggs & Ingram, LLC  
637 Park Street  
Jacksonville, Florida 32204

(904) 356-6023  
(904) 353-5836 (fax)  
CRIcpa.com

July 10, 2017

To the Board of County Commissioners  
Nassau County, Florida  
c/o Nassau County BOCC  
96135 Nassau Place, Suite 2  
Yulee, Florida 32097

We are pleased to confirm our understanding of the services we are to provide the Nassau County, Florida (the "County") for the years ending September 30, 2017, 2018 and 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the County as of and for the years ending September 30, 2017, 2018 and 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the County's 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. As part of our engagement, we will apply certain limited procedures to the County's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison Schedules and Notes
- 3) Schedule of Funding Progress for the Other Postemployment Benefit Plan
- 4) Schedule of the County's Proportionate Share of the Net Pension Liability
- 5) Schedule of the County's Pension Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies the County's financial statements. We will subject that supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole.

The other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

In addition to our audit of the basic financial statements, we will issue separate reports on the Schedule of Activity - Landfill Management Escrow Account, the Statement of County Funded Court-Related Functions, and over compliance with certain sections of Florida Statutes as required by the rules of the Auditor General.

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major federal programs and state projects and an opinion (or disclaimer of opinion) on compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a direct and material effect on each major program and major project in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Act.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of 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, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance and State Single Audit Act report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State Single Audit Act. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance and State Single Audit Act, and will include tests of accounting records, a determination of major program(s) and major project(s) in accordance with the Uniform Guidance and State Single Audit Act as applicable, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

#### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs or major projects. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.



Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; schedule of expenditures of state financial assistance; schedule of federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures - Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and State Single Audit Act, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state award program or project. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and State Single Audit Act.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance and State Single Audit Act.

#### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the County's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and State Single Audit Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal and state statutes, regulations, and the terms and conditions of federal and state awards applicable to major programs and projects. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the County's major programs and projects. The purpose of these procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major programs or projects in our report on compliance issued pursuant to the Uniform Guidance and State Single Audit Act.

### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal and state awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal and state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program and project compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and State Single Audit Act, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report.

Additionally, as required by the Uniform Guidance and State Single Audit Act, it is management's responsibility to evaluate and monitor noncompliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance (including notes and noncash assistance received) in conformity with the Uniform Guidance and State Single Audit Act. You agree to include our report on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance in accordance with the Uniform Guidance and State Single Audit Act; (2) you believe the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance, including its form and content, is stated fairly in accordance with the Uniform Guidance and State Single Audit Act; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the *Audit Objectives* section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, if applicable, we will complete the appropriate sections of the *Data Collection Form* that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the *Data Collection Form* to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The *Data Collection Form* and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the County; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Carr, Riggs & Ingram, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the County or its designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Carr, Riggs & Ingram, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the County. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Ronnie Hargraves will be the Relationship Partner and Rob Lemmon will be the Engagement Partner who is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$175,000 for each of the fiscal years ending September 30, 2017, 2018 and 2019. The above fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit(s). If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### **Arbitration and Mediation**

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, and, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or some other dispute resolution procedure, they will first try in good faith to resolve the dispute through non-binding mediation. The costs of any mediation proceedings shall be shared equally by all parties.

### **Electronic Data Communication and Storage and Use of Third Party Service Provider**

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this acknowledgement and engagement letter, you may be required to execute a separate client acknowledgement or agreement and agree to be bound by the terms, conditions and limitations of such agreement. The County and its officers, agents and employees agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records.

We appreciate the opportunity to be of service to the County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*Caru, Riggs & Ingram, L.L.C.*

**RESPONSE:**

This letter correctly sets forth the understanding of **Nassau County, Florida**.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**NASSAU COUNTY  
FLORIDA**



**REQUEST FOR PROPOSALS (RFP)  
PROFESSIONAL AUDITING SERVICES**

**BOARD OF COUNTY COMMISSIONERS, NASSAU COUNTY**

**BID NO. NC17-008**

**PROPOSALS ARE DUE NOT LATER THAN 4:00 P.M.**

**March 28, 2017**



**Board of County Commissioners  
Nassau County, Florida**

**Request for Proposals (RFP)**

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Nassau County, Florida invites sealed proposals for:

**PROFESSIONAL AUDITING SERVICES  
BID NO. NC17-008**

**GENERAL INFORMATION**

Nassau County, Florida is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending September 30, 2017, 2018 and 2019, with the option of auditing its financial statements for each of the two subsequent fiscal years. The Nassau County government is comprised of the Board of County Commissioners and the following Constitutional Officers: Clerk of Circuit Court & Comptroller; Property Appraiser; Sheriff; Supervisor of Elections; and the Tax Collector. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits set forth in the Governmental Audit Standards issued by the Comptroller General of the United States and the provisions of the Federal and State Single Audit Acts.

All of the Constitutional Officers and County Commissioners are governed by and derive their operating authority from the constitution and laws of the State of Florida. Section 218, Florida Statutes requires an annual financial audit of all County agencies. Section 11.45(1)(c) defines a financial audit as “an examination of financial statements in order to express an opinion on the fairness with which they are presented in conformity with generally accepted accounting principles and an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements. Financial audits must be conducted in accordance with generally accepted auditing standards and government auditing standards as adopted by the Board of Accountancy.”

Each Respondent is being asked to submit a formal written proposal to detail its capabilities in servicing the Nassau Board of County Commissioners, herein referred to as “the BOCC”. The successful audit firm will be asked to commence servicing the accounts upon approval and award by the BOCC. The chosen audit firm will be held to aggressive service requirements and high quality standards in providing service for the County.

Requirements for submission and the selection criteria are available on Onvia Demandstar at <http://www.demandstar.com>. All questions pertaining to this Request for Proposals (RFP) should be directed to:

David Pensante, Contract Manager  
Nassau County Contract Management Division  
96135 Nassau Place, Suite 2  
Yulee, Florida 32097  
(904) 530-6040 Fax: (904) 321-5917  
Email: [dpensante@nassaucountyfl.com](mailto:dpensante@nassaucountyfl.com)

The County will issue responses to inquiries and any other corrections or amendments it deems necessary in written addenda issued prior to the bid opening date. Submitters should not rely on any representations, statements or explanations other than those made in this solicitation or in any addendum to this solicitation. Where there appears to be a conflict between the RFP and any addenda issued, the last addendum issued will prevail.

It is the submitter's responsibility to be sure all addenda were received. The submitter should verify with the designated contact person prior to submitting a proposal that all addenda have been received. Submitters are required to acknowledge the number of addenda received as part of their submission of the proposal. Proposers shall submit the Addendum Acknowledgment form attached hereto as Attachment "A".

Respondents must submit one (1) response marked "Original" and ten (10) copies marked "Copy" for a total of eleven (11) complete packages plus one (1) electronic copy on a computer disk or flash drive of the proposal in a sealed envelope and clearly marked on the outside: **"Request for Proposals – Professional Auditing Services, Bid No. NC17-008"**. Proposals shall be addressed to:

**Board of County Commissioners, Nassau County  
Office of the Ex-Officio Clerk  
76347 Veterans Way, Suite 456  
Yulee, Florida 32097**

**All proposals must be received by March 28, 2017 before 4:00 P.M.** Any proposals received after this date and time will be automatically rejected. Materials may be delivered by Certified Mail, Return Receipt Requested, hand-delivered or couriered. Faxed or e-mailed proposals will be automatically rejected.

Bids will be opened on March 29, 2017 in the Clerk's office, located at 76347 Veterans Way, Suite 456, Yulee, Florida at 10:00 A.M.

All proposals shall remain valid for a period of sixty (60) days beyond the deadline for submission and may be extended beyond that time by mutual agreement. The County will automatically reject the response of any person or affiliate who appears on the convicted vendor list prepared by the Department of Management Services, State of Florida, under section 287.133(3)(d), Florida Statutes. Nassau County declares that all or portions of the documents and work papers and other forms of deliverables pursuant to this request shall be subject to reuse by the County.

An award will be made to the audit firm deemed to receive the highest ranking based on the evaluation criteria included in this Request for Proposals.

The BOCC reserves the right to reject any and all proposals, to waive informalities in any or all proposals, to re-advertise for proposals, and to separately accept or reject any item or items and to award and/or negotiate a contract in the best interest of the Nassau County BOCC.

## **BACKGROUND**

Nassau County, Florida, encompasses 726 square miles in the northeast corner of Florida bordering Georgia (north), the Atlantic Ocean (east), and Jacksonville (south). The land area for the County is equal to 652 square miles, with the remaining 74 square miles representing inland waterways. The County is divided into three incorporated areas: Hilliard in the northwest region, Callahan in the south mid-west and Fernandina Beach (the County seat) in the east.

The County operates under a non-charter commission/administrator form of government, with a governing board consisting of five county commissioners, elected at-large to staggered four-year terms. Each commission member must meet district residency requirements.

## **FUND STRUCTURE**

At the time of this RFP, Nassau County (excluding Constitutional Officers) has a General Fund, twenty-five (25) Special Revenue Funds, three (3) Debt Service Funds, seven (7) Capital Project Funds, one (1) Agency Fund and one (1) Enterprise Fund.

Respondents are encouraged to view past audit reports of the Board of County Commissioners and Constitutional Officers, which can be obtained from the Auditor General's website.

Nassau County participates in the Florida Retirement System (FRS); a Multiple Employer Cost-Sharing Plan.

## **CALENDAR OF EVENTS**

The County has established the following timeline for this RFP:

Release of RFP:	March 1, 2017
RFP Responses Due:	March 28, 2017
RFP Opening:	March 29, 2017
Audit Committee Review:	April 10, 2017
BOCC Contract Award:	May 17, 2017

## **SERVICES PURPOSE**

Nassau County is soliciting the services of qualified firms of certified public accountants to audit its financial statements, and the financial statements of the Constitutional Officers, for the fiscal years ending September 30, 2017, 2018 and 2019, with the County's option to renew for two (2) one-year terms beyond the initial three (3) years. These audits shall be performed in accordance with the provisions contained in this Request for Proposal.

## **SCOPE OF WORK**

Nassau County desires the auditor to express opinions on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles including the County, Board of County Commissioners, and each Constitutional Officer.

Nassau County also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles; specifically the budgetary comparison statements for the General Fund and the Major Revenue Funds. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section of the report.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor is not required to audit the schedule of expenditures of federal and state awards. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

Nassau County intends to produce a Comprehensive Annual Financial Report (CAFR). Nassau County will forward its 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. It is anticipated that the selected Proposer will be required to provide possible special assistance to Nassau County to meet the requirements of that program.

## **REPORTS TO BE ISSUED**

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

- Opinions on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal and state awards "in relation to" the audited financial statements will be provided for the County, the Board of County Commissioners, and the individual Constitutional Officers if applicable.
- A report on compliance and internal control over financial reporting based on an audit of the financial statements in accordance with the Governmental Auditing Standards.
- A report on compliance and internal control over compliance applicable to each major federal program and state financial assistance projects.
- A letter of compliance on the Local Governmental Entity Financial Condition Assessment as required by the Florida Auditor General Chapter 10.550 (most recent effective date).
- A report on compliance with Section 218.415, Florida Statutes.
- A report on compliance with Section 365.172(10) and Section 365.173(2)(d), Florida Statutes
- For the Clerk of Courts & Comptroller, a report on compliance with Section 28.35 and Section 28.36, Florida Statutes
- For the Clerk of Courts & Comptroller, a report on compliance with Section 61.181, Florida Statutes

- Any other attestations/audits as may be required by Florida Statutes or Florida Administrative Code. This includes, but is not limited to:
  - A report on the fair presentation of the Schedule of Activity, Landfill Management Escrow Account, to comply with rule 62-701.630(5) of the Florida Administrative Code.
  - A report on the fair presentation of the Statement of County Funded Court-Related Functions, Section 29.0085, Florida Statutes.

## **WORK PAPER RETENTION AND ACCESS TO WORK PAPERS**

All work papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by Nassau County of the need to extend the retention period. The auditor will be required to make work papers available, upon request to parties or their designees, including, but not limited to, parties designated by the Federal or State governments or by Nassau County as part of an audit quality review process.

## **INSURANCE**

Each proposer shall furnish its certificate of insurance evidencing the insurance coverage requested within ten (10) calendar days after award. Failure to provide certificate of insurance within the ten (10) calendar days shall provide the basis for termination of award. Any and all insurance certificates shall cite Nassau County Board of County Commissioners as an additional insured. See Attachment "B" for General Information and Insurance Requirements.

## **PROPOSAL REQUIREMENTS**

The submission in response to this RFP shall be clear and concise and provide the information requested herein. The Respondent should not withhold any information from the written response in anticipation of presenting the information orally or in a demonstration. Respondents should be independent to Nassau County as defined by the GAO "Yellow Book," 2011 Revision.

Proposals must include the following:

**Scope of Service/Prior Experience** - All submittals must detail the proposed services to be provided and the firm's experience in providing such services.

**General Firm Information** - Name, address and brief description of your firm.

**Staff** - The names, experience and qualifications of the individuals that would be primarily responsible for performing audit services. Resume format is acceptable

**Audit Approach** - The proposal should set forth a work plan, including an explanation of the audit methodology to be followed and to perform the services required in this request for proposal. In addition this section should provide detail to the following:

- Sample size and the extent to which statistical sampling is to be used in the engagement
- Extent of use of EDP/IT software in the engagement
- Type and extent of analytical procedures to be used in the engagement
- Approach to be taken to gain and document an understanding of Nassau County's internal control structure

- Approach to be taken in determining laws and regulations that will be subject to audit test work
- Approach to be taken in drawing audit samples for purposes of tests of compliance

**Price** - Interested firms should include an all-inclusive total fee for EACH of the three years requested, including if a Consumer Price Index (CPI) increase will be utilized.

**References** - Please provide three (3) references of local government audit clients within the last year along with the job title and phone number of a contact person.

**Peer Review Report** - Provide the most recent peer review report conducted.

**Other** – Completed Addendum Acknowledgement form (Attachment “A”) and Public Entity Crimes – Sworn Statement (Attachment “D”)

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed and registered to practice in Florida.

Proposals must include the information that is specifically requested herein, as well as such additional information as a Respondent deems relevant to the process. Each Respondent agrees that the proposal submitted constitutes a firm offer to the Board that cannot be withdrawn for ninety days from the proposal due date. Each proposal must be in sufficient detail to permit evaluation, at a minimum, with respect to the criteria contained in this section.

The County reserves the right to waive formalities in any response, to reject any or all responses with or without cause and to waive technical and non-technical or non-material defects in the solicitation or submittal of any responses.

The Respondent is solely responsible for all costs of preparing and submitting the response, regardless of whether a contract award is made by the BOCC.

The BOCC is not interested in any subcontracting/joint proposals.

#### **CRITERIA AND EVALUATION OF SUBMISSIONS BY THE AUDIT COMMITTEE**

A 100-point formula scoring system will be utilized by the Audit Committee based upon the following criteria:

- **Compliance with RFP Instructions – 5 points**
  - Firm’s proposal complied with instructions issued in the RFP. Noncompliance with significant instructions may be grounds for proposal disqualification.
  - The audit firm is independent and licensed to practice in the State of Florida.
  - The firm submits a copy of its last peer review report and the firm has a record of quality audit work.
- **Firm Proposals and Firm Experience –60 points**
  - The firm's past experience and performance on comparable government engagements.
  - The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
  - The firm’s ability to plan the engagement, efficiently utilize computer automation and comply with all federal and state reporting requirements.

- Results of information obtained from governmental client reference list provided by Respondent.
- **Audit Approach – 20 points**
  - Adequacy of proposed staffing plan for various segments of the engagement.
  - Adequacy of sampling techniques.
  - Adequacy of analytical procedures.
- **Pricing – 15 points**
  - Price proposals will not be the primary factor in the selection of the audit firm.
  - The maximum points will be awarded to lowest price submitted and reduce on a sliding scale based upon to all Respondent's price.
- **TOTAL – 100 points**

The Audit Committee will meet and rank the proposers based on the evaluation criteria set forth in the Score/Ranking sheet attached hereto as Attachment "C". The Audit Committee will short-list the proposers (top three scoring firms) and WILL request oral presentations with the short listed proposers. Such oral presentations will provide Firms the opportunity to answer questions the Audit Committee may have on a Firms Proposal. **Oral presentations will be evaluated at a maximum 25 points and added to the short listed firm's 100 point total outlined above.**

The Audit Committee consists of the Clerk of Court & Comptroller, or his designee; the Property Appraiser, or his designee; the Supervisor of Elections, or her designee; the Sheriff, or his designee; the Tax Collector, or his designee; and a County Commissioner designated by the Board of County Commissioners, and will make a final ranking of the short-listed Firms and make their recommendation of the top ranked Firm for approval by the Nassau County Board of County Commissioners. The County Commission reserves the right to award the contract to that proposer who will best serve the interest of the County. The County Commission may accept the recommendation of the Audit Committee or may re-rank the proposers based upon the criteria. The County Commission must adopt a motion to independently rank the proposers based upon the criteria set forth herein.

Based on the decision of the County Commission, the County Manager and the County Attorney shall prepare a contract, based upon the RFP for the number one ranked proposer in accordance with this RFP. The approval of the contract is the decision of the County Commission. Should negotiations be required regarding the contract, the County Manager and the County Attorney shall be authorized to negotiate the terms subject to Board of County Commissioners approval. If a successful contract is not negotiated and approved by the Board of County Commissioners, the Board of County Commissioners may authorize the County Manager and the County Attorney to negotiate a contract with the second ranked proposer subject to approval of the contract by the Board of County Commissioners. If a successful contract is not negotiated and approved by the County Commission, the Board of County Commissioners may authorize the County Manager and the County Attorney to negotiate with the third ranked proposer subject to approval by the Board of County Commissioners.

## **DISQUALIFICATION OF RESPONDENTS**

**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 a response/bid on a contract to provide any goods or services to a public entity, may not submit response/bids on leases 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 in section 287.017, Florida Statutes. Attachment “D” must be completed, signed and included in the Respondent’s proposal.

**Conflict of Interest.** Any Respondent who is deemed to have a conflict of interest prohibited by Chapter 112, Florida Statutes, shall be disqualified.

**Prohibited Communication.** Any form of communication, except as to the Contract Manager, shall be prohibited regarding this particular Request for Proposals, between:

1. Any person or person’s representative or any person on behalf of anyone seeking an award from such competitive solicitation; and
2. Any County Commissioner, Audit Committee member, County Manager, County Attorney, or any county employee not identified as a point of contact for this Request for Proposals.

The prohibited communication shall be in effect as of the date of release of this RFP. The provisions of this section shall terminate at the time the Board awards or approves a contract, rejects all bids or responses, or otherwise takes action which ends the solicitation process.

A violation of the prohibited communication section shall be cause for disqualification of the bid or proposal. The determination of a violation shall be made by the Audit Committee and communicated to the proposer.

#### **EXAMINATION OF RFP DOCUMENTS**

Each Respondent shall carefully examine the RFP and other contract documents, and inform him or herself thoroughly regarding any and all conditions and requirements that may in any manner affect cost, progress, or performance of the work to be performed under the contract. Ignorance on the part of the Respondent will in no way relieve the Respondent of the obligations and responsibilities assumed under the contract.

Should a Respondent find discrepancies or ambiguities in, or omissions from, the specifications, or be in doubt as to their meaning, Respondent shall at once notify the County’s Contract Management Division in writing.

#### **INTERPRETATIONS**

No oral interpretations will be made to any potential Respondent as to the meaning of the contract documents. Any inquiry or request for interpretation received seven (7) or more days prior to the date fixed for opening of responses will be given consideration. All such changes or interpretation will be made in writing in the form of an addendum and, if issued, will be mailed or sent by available means to all known prospective Respondents prior to the established response opening date. All addenda are a part of the contract documents and each Respondent will be bound by such addenda, whether or not received. It is the responsibility of each Respondent to verify all addenda issued have been received before responses are opened.



**INDEMNIFICATION**

The Respondent shall defend, indemnify and hold harmless the Nassau County BOCC, its officers agents and employees from any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorney's fees, court costs, expenses, caused or alleged to be caused by intentional or negligent acts of, or omission of agent/broker, its agents or employees or officers or accruing from the subject matter of an approved contract. Agent/broker shall defend any lawsuit or proceeding brought against the County by reason of such claim or action arising out of the approved contract.

## ATTACHMENT "A"

**Addendum Acknowledgment**

Acknowledgment is hereby made of receipt of addenda issued during the solicitation period.  <b>BID NO. NC17-008</b>	Addendum # ____ through # ____  Initial:  Date:
Person Completing RFP (Signature)	
Name (Printed):	Title:

>>>Failure to submit this form would have a negative impact on your evaluation score<<<

ATTACHMENT "B"

**GENERAL INFORMATION AND INSURANCE REQUIREMENTS**

**COMMERCIAL GENERAL LIABILITY INSURANCE**

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

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

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

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

**WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE**

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

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

Part One – Workers' Compensation Insurance – Unlimited  
Statutory Benefits as provided in the Florida Statutes and

Part Two – Employer's Liability Insurance

Bodily Injury By Accident	\$500,000 Each Accident
Bodily Injury By Disease	\$500,000 Policy Limit
Bodily Injury By Disease	\$500,000 Each Employee

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

**AUTOMOBILE LIABILITY INSURANCE**

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

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

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

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

**PROFESSIONAL LIABILITY (ERRORS & OMISSIONS)**

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

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

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

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

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

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

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

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

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

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

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

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

CGL policy shall not be endorsed with Contractual Liability Limitation Endorsement (CG2139) or Amendment of Insured Contract Definition (CG 2426)

CGL policy shall include broad form contractual liability coverage for the Contractor/Vendors covenants to and indemnification of the Authority under this Contract

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

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

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

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

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

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

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

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

# ATTACHMENT "C"

PROFESSIONAL AUDITING SERVICES  
 Bid Number: NC17-008  
 Nassau County, Florida  
 Evaluation Criteria & Ranking

## SCORE/RANKING SHEET FOR EACH PROPOSAL

Evaluator: \_\_\_\_\_  
 Agency Name: \_\_\_\_\_ Date of Evaluation: \_\_\_\_\_

**Evaluation Criteria:**

**COMMENTS/RATIONALE**

	Maximum Points	
<b>1 Firms' compliance with RFP instructions</b> 1.1 <i>Firm's proposal complied with instructions issued in the RFP. Noncompliance with significant instructions may be grounds for proposal disqualification.</i> 1.2 <i>The audit firm is independent and licensed to practice in the State of Florida.</i> 1.3 <i>The firm submits a copy of its last peer review report and the firm has a record of quality audit work.</i>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">5</div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> </div>	_____ _____ _____ _____
<b>2 Firm's Proposal and Firm Experience</b> 2.1 <i>The firm's past experience and performance on comparable government engagements.</i> 2.2 <i>The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.</i> 2.3 <i>The firm's ability to plan the engagement, efficiently utilize computer automation and comply with all federal and state reporting requirements.</i> 2.4 <i>Results of information obtained from governmental client reference list provided by Respondent.</i>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">60</div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> </div>	_____ _____ _____ _____ _____ _____
<b>3 Audit Approach</b> 3.1 <i>Adequacy of proposed staffing plan for various segments of the engagement.</i> 3.2 <i>Adequacy of sampling techniques.</i> 3.3 <i>Adequacy of analytical procedures</i>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">20</div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> </div>	_____ _____ _____
<b>4 Pricing</b> 4.1 <i>Price proposals will not be the primary factor in the selection of the audit firm.</i> 4.2 <i>The maximum points will be awarded to lowest price submitted and reduce on a sliding scale based upon to all Respondent's price.</i>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">15</div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> </div>	_____ _____ _____ _____
<b>SCORE POSSIBLE</b>	<b><u>100</u></b>	

**TOTAL SCORE**

**ATTACHMENT "D"**

## NASSAU COUNTY

SWORN STATEMENT UNDER SECTION 287.133(3)(a), FLORIDA STATUTES,  
ON PUBLIC ENTITY CRIMES

THIS MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS

1. This sworn statement is submitted with Bid, Proposal or Contract for \_\_\_\_\_.
2. This sworn statement is submitted by \_\_\_\_\_ (entity submitting sworn statement), whose business address is \_\_\_\_\_ and its Federal Employee Identification Number (FEIN) is \_\_\_\_\_. (if the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: \_\_\_\_\_).
3. My name is \_\_\_\_\_ (please print name of individual signing), and my relationship to the entity named above is \_\_\_\_\_.
4. 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 with the United States, including, but not limited to, any bid or contract for goods or services, any leases for real property, or any contract for the construction or repair of a public building or public work, 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 misrepresentation.
5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction or 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.
6. 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 to fair market value under an arm's length agreement, shall be 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 thirty-six (36) months shall be considered an affiliate.
7. 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 binding contract and which bids or applies to bid on contracts 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.

- 8. Based on information and belief, the statement, which I have marked below, is true in relation to the entity submitting this sworn statement. (Please 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 management of the entity, nor any affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one of more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in 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, and (Please indicate which additional statement applies.)

There has been a proceeding concerning the conviction before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the Hearing Officer did not place the person or affiliate on the convicted vendor list. (Please attach a copy of the final order.)

The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. (Please attach a copy of the final order.)

The person or affiliate has not been placed on the convicted vendor list. (Please describe any action taken by or pending with the Department of General Services.)

(Signature)

Date

STATE OF FLORIDA
COUNTY OF

PERSONALLY APPREAEED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature in the space provided above on this day of, 200.

(Notary Public)

My Commission Expires: (seal)



*EXHIBIT "1"*

SAMPLE CONTRACT

The Sample Contract will be subject to review and modification by the County Attorney's Office

Contract No. \_\_\_\_\_

Bid/RFP No. NC17-008

**Professional Auditing Services Agreement**

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, 2017, by and between the **BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, a political subdivision of the State of Florida**, hereinafter referred to as the "County", and \_\_\_\_\_, hereinafter referred to as the "Auditor". WHEREAS, the County and the Auditor desire to enter into this Agreement in order to provide for the terms of the engagement by which the Auditor will perform the financial auditing services.

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

1. **General and Specific Conditions in RFP.**

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

2. **General Information and Insurance Requirements.**

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

In any and all claims against the County or any of its agents or employees, by any employee of the Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any Subcontractor under Workers' Compensation acts, disability benefit acts, or other employee benefits act.

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

COMMERCIAL GENERAL LIABILITY INSURANCE

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

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

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

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

**WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE**

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

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

**Part One – Workers' Compensation Insurance – Unlimited**

Statutory Benefits as provided in the Florida Statutes and

**Part Two – Employer's Liability Insurance**

Bodily Injury By Accident	\$500,000 Each Accident
Bodily Injury By Disease	\$500,000 Policy Limit
Bodily Injury By Disease	\$500,000 Each Employee

\*If leased employees are used, policy must include an Alternate Employer's

Endorsement

**AUTOMOBILE LIABILITY INSURANCE**

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

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

Combined Single Limit – Each Accident	\$1,000,000
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Covered Automobiles shall include any auto owned or operated by the insured Contractor/Vendor, insured Sub-Contractor/Vendor including autos which are leased, hired, rented or borrowed, including autos owned by their employees which are used in connection with the business of the respective Contractor/Vendor or Sub-Contractor/Vendor.

**PROFESSIONAL LIABILITY (ERRORS & OMISSIONS)**

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

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

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

Each Occurrence/Annual Aggregate

\$2,000,000

Project Specific

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

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

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

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

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

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

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

sentence "Operations include ongoing and completed operations".

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

CGL policy shall not be endorsed with Contractual Liability Limitation Endorsement (CG2139) or Amendment of Insured Contract Definition (CG 2426)

CGL policy shall include broad form contractual liability coverage for the Contractor/Vendors covenants to and indemnification of the Authority under this Contract.

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

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

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

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

If the Contractor/Vendor fails to procure, maintain or pay for the required insurance, Nassau County Board of County Commissioners shall have the right (but not the obligation) to secure same in the name of and for the account of Contractor/Vendor, in which event, Contractor/Vendor shall pay the cost thereof and shall furnish upon demand, all information that may be required to procure such insurance. Nassau County Board of County Commissioners shall have the right to back-charge

Contractor/Vendor for the cost of procuring such insurance. The failure of Nassau County Board of County Commissioners to demand certificates of insurance and endorsements evidencing the required insurance or to identify any deficiency in Contractor/Vendors coverage based on the evidence of insurance provided by the Contractor/Vendor shall not be construed as a waiver by Nassau County Board of County Commissioners of Contractor/Vendor's obligation to procure, maintain and pay for required insurance.

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

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

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

3. Term.

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

4. Time requirements for Services.

a. Preliminary Board financial statements and County-wide Financial Statements with all necessary individual, combining, and combined statements and schedules

needed to meet the requirements of the *Comprehensive Annual Financial Report* shall be delivered to the County by February 25<sup>th</sup> of each year. The County understands that in order to meet this deadline, the books of the County will need to be closed, in good order, and ready for audit by December 1<sup>st</sup> of each year.

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

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

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

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

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

i. Financial Statements with all necessary individual, combining, and combined statements and schedules needed to meet the requirements of the *Comprehensive Annual Financial Report* ("CAFR") Certificate of Achievement for Excellence in Financial Reporting Program.

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

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

6. Auditor Independence.

The Auditor affirms that it is independent of Nassau County, as defined by generally accepted auditing standards and the United States General Accounting

Office's *Government Auditing Standards*). The Auditor shall give the County written notice of any professional relationships involving the County or any of its agencies entered into during the period of the Agreement.

7. Additional Responsibilities.

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

8. Planning.

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

9. Invoices.

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

10. Compensation.

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

11. Other Services/Specifications.

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



12. Manner of Payment.

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

13. Termination.

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

14. Termination without Cause.

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

15. Miscellaneous.

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

b. If unusual circumstances are encountered making it necessary for the Auditor to do additional work, the Auditor shall immediately report such conditions to the County Administrator and the Clerk of the Court, and the parties shall negotiate such additional compensation as appears justified. Periodic progress billings shall be submitted as the work progresses, but not more often than two (2) times a month.

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

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

e. This Agreement may be renewed for an additional two (2) year period, subject to satisfactory negotiation of terms and subject to appropriation, under the same terms and conditions unless either party desires to change a specific provision of this Agreement.

16. Public Records

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

- a. Keep and maintain public records required by the public agency to perform the service.
- b. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by

law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the public agency.

d. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

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

17. Entire Agreement.

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

18. Effective Date.

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

BOARD OF COUNTY COMMISSIONERS  
NASSAU COUNTY, FLORIDA

\_\_\_\_\_  
DANIEL B. LEEPER  
Its: Chairman

ATTEST:

\_\_\_\_\_  
JOHN A. CRAWFORD

Its: Ex-Officio Clerk

Approved as to form by the  
Nassau County Attorney

\_\_\_\_\_  
MIKE MULLIN

\_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

[Contractor signature next page]

[insert contractor name]

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

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

WITNESS my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Signature

Notary-Public-State of \_\_\_\_\_ at large

My Commission expires:

Helping You Shine  
*by Illuminating Solutions*



**CRI** CARR  
RIGGS &  
INGRAM  
CPAs and Advisors

[CRIcpa.com](http://CRIcpa.com) | [blog.cricpa.com](http://blog.cricpa.com)

"COPY"

# CRI

Helping You Shine  
*by Illuminating Solutions*



*professional services*  
**PROPOSAL FOR**  
**Nassau County, Florida**  
Professional Auditing Services  
BID NO. NC17-008  
March 28, 2017

PROPOSER  
Carr, Riggs & Ingram, LLC  
637 Park Street  
Jacksonville, Florida 32204  
(904) 356-6023



**CRI** CARR  
RIGGS &  
INGRAM  
CPAs and Advisors  
CRIcpa.com

SUBMITTED BY  
M. Ronald Hargraves, Jr.  
Relationship Partner  
rhargraves@cricpa.com

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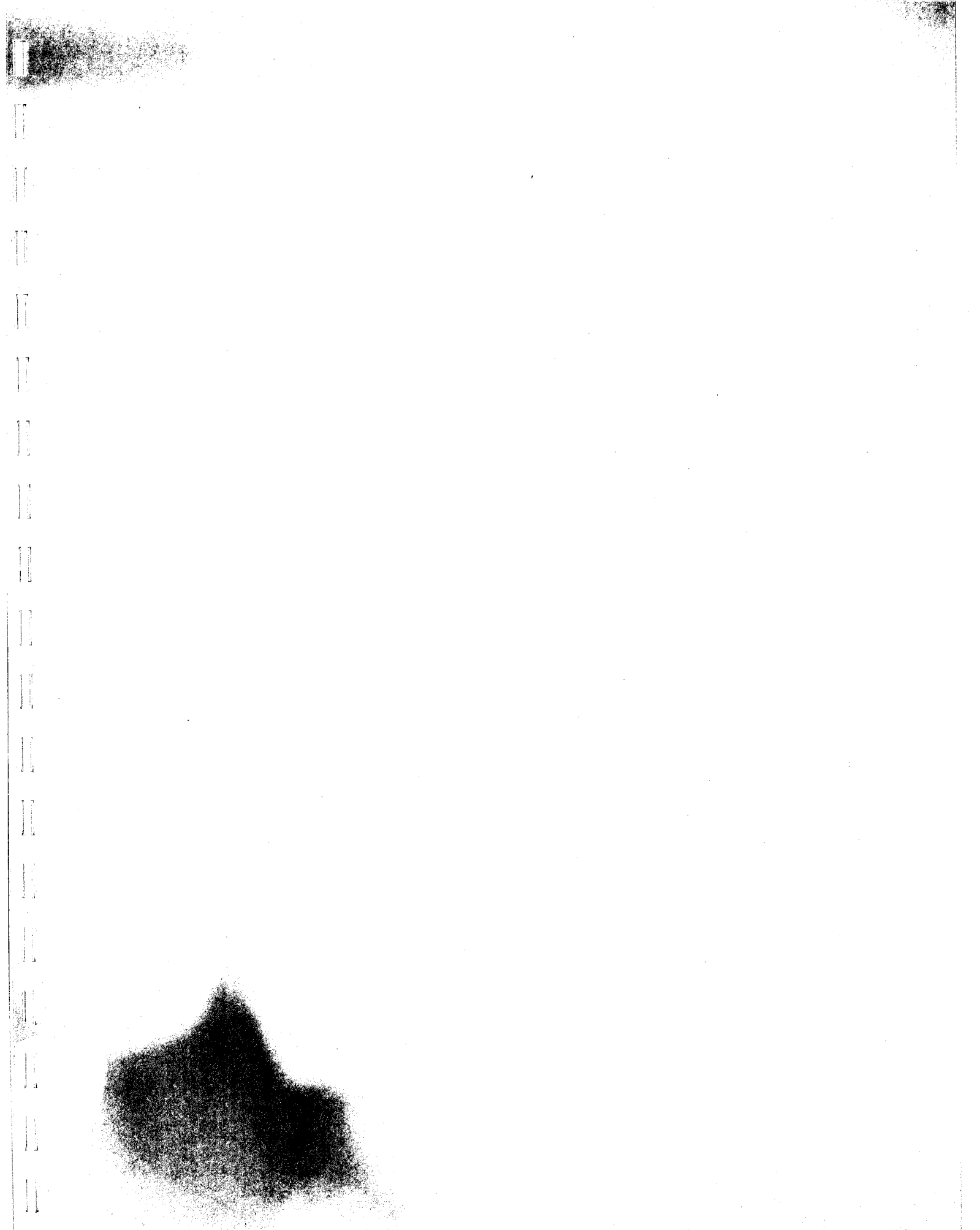
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## TRANSMITTAL LETTER

Dear Audit Committee Members, Board of County Commissioners, and Constitutional Officers,

Carr, Riggs & Ingram, LLC (CRI) appreciates the opportunity to propose on the independent auditing services for Nassau County. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. We pride ourselves on getting to know our clients and illuminating solutions by providing innovative IDEAS to move them from compliance to providing them a competitive advantage.

**I** **nvestment in You.** We believe in developing long-term, mutually beneficial relationships and quickly demonstrating value with a fee structure and service solutions that provide immediate and continued savings. Our investment starts on "Day 1" as your assigned team begins with our proven, streamlined process that minimizes your time and disruption during the service provider change and continues throughout the relationship.

**D** **edicated Team.** CRI's team consists of more than 1,600 professionals, which allows us to tailor your service team by aligning their industry, service, and specialty skills with your needs. Our dedicated teams deliver the highest level of business acumen and knowledge to your organization; our commitment to consistent staffing allows you to maximize savings and remain focused on your needs.

**E** **quilibrium.** CRI delivers big firm expertise with small firm service. Of approximately 45,000 public accounting firms in the United States, CRI currently ranks among the top 25. Additionally, as a part of PrimeGlobal, an association of independent accounting firms, we have access to international resources as – and when – needed. Leveraging these resources while maintaining local decision-making authority means that simplified solutions are only a phone call away. And we believe that's the best of both worlds for our clients.

**A** **ctive Partner Participation.** Collectively, our partners deliver expertise derived from more than 6,200 years of business experience. With this level of talent, we thoughtfully choose a partner that aligns with your business' needs and industry. Our hands-on, working partners "show up" to convey our genuine commitment to your success. They strive to earn trusted advisor roles by digging in, proactively learning your business, and producing long-term value for you.

**S** **implified Solutions.** Our 400 different cumulative partner certifications is an impressive statistic, success is measured by translating complex concepts into client solutions. While accounting is the language of business, we're here to decipher the jargon and help you make educated decisions. CRIinnovate embraces agility and invention. The CRI vSTAR™ process, our inaugural initiative delivering a virtual audit, is designed to provide you with maximized efficiencies, reduced workload, and an improved experience.



It would be an honor to work with you, and assist you in meeting the County's financial reporting and compliance requirements. Beyond those requirements, we are committed to bringing additional value to our relationship with the County by providing ongoing advice regarding appropriate accounting principles and their application, consultation about accounting issues that may arise, and recommendations for your consideration regarding internal controls and best practices. All terms and conditions of the RFP are understood and acknowledged. **We are committed to completing the work and providing the required reports on time.**

## TRANSMITTAL LETTER

We believe that we are well positioned to provide these services for the County.

- CRI has a significant presence in Florida, with **19 local offices** staffed by over 350 professionals, with our Jacksonville office conveniently located nearby.
- CRI currently provides the external audit for **18 of Florida's 67 counties** including: Alachua, Baker, Bay, Calhoun, Clay, Dixie, Duval, Flagler, Gilchrist, Holmes, Jackson, Jefferson, Levy, Putnam, St. Johns, Sumter, Walton, and Washington. No other firm in can match the government experience of CRI, especially as it relates to Florida counties.
- CRI's partners and staff possess broad knowledge and deep experience in the area of governmental accounting, auditing, and consulting.
- We provide these services to **200+ governments in Florida** including counties, municipalities, and special districts.

CRI's audit practice is heavily oriented to the public sector. Over 40% of our audit clients throughout the Southeast are audited under Government Auditing Standards issued by the Government Accountability Office (Yellow Book).

CRI's partners are active members of the team throughout the audit process. They will be "in the field" working and supervising other members of the team. We have a proposed team of auditors who are all experienced in performing government audits and will not need to be trained by your personnel.

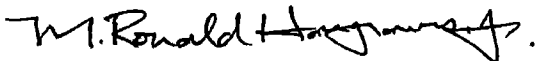
Mr. Ronnie Hargraves is an audit partner in our Jacksonville office and is authorized to make representations for the firm. He can be reached at the address and phone number listed above, or at [rhargraves@cricpa.com](mailto:rhargraves@cricpa.com). CRI's Federal ID number is 72-1396621.

We believe that CRI is the best qualified firm to audit Nassau County due to our extensive experience and depth of knowledge in Florida county auditing.

We welcome the opportunity to demonstrate to you the same teamwork, expertise and responsiveness that have made us one of the fastest growing public accounting firms in the United States. We appreciate your consideration, and we encourage you to contact us with any questions as you review our proposal. This proposal is a firm and irrevocable offer for ninety (90) days.

Nassau County will be one of the most important clients of CRI. We assure you that you will receive the highest level of service.

Very truly yours,



M. Ronald Hargraves, Jr.  
Relationship Partner  
Carr, Riggs & Ingram, LLC

## UNDERSTANDING & MEETING YOUR NEEDS

From the RFP, we understood your team to express the following needs, requests and/or issues. We've detailed our proposed solutions below and are happy to discuss other related projects as they arise and upon request. ***We affirm our commitment to provide the requested services within the timeline specified in the RFP.***

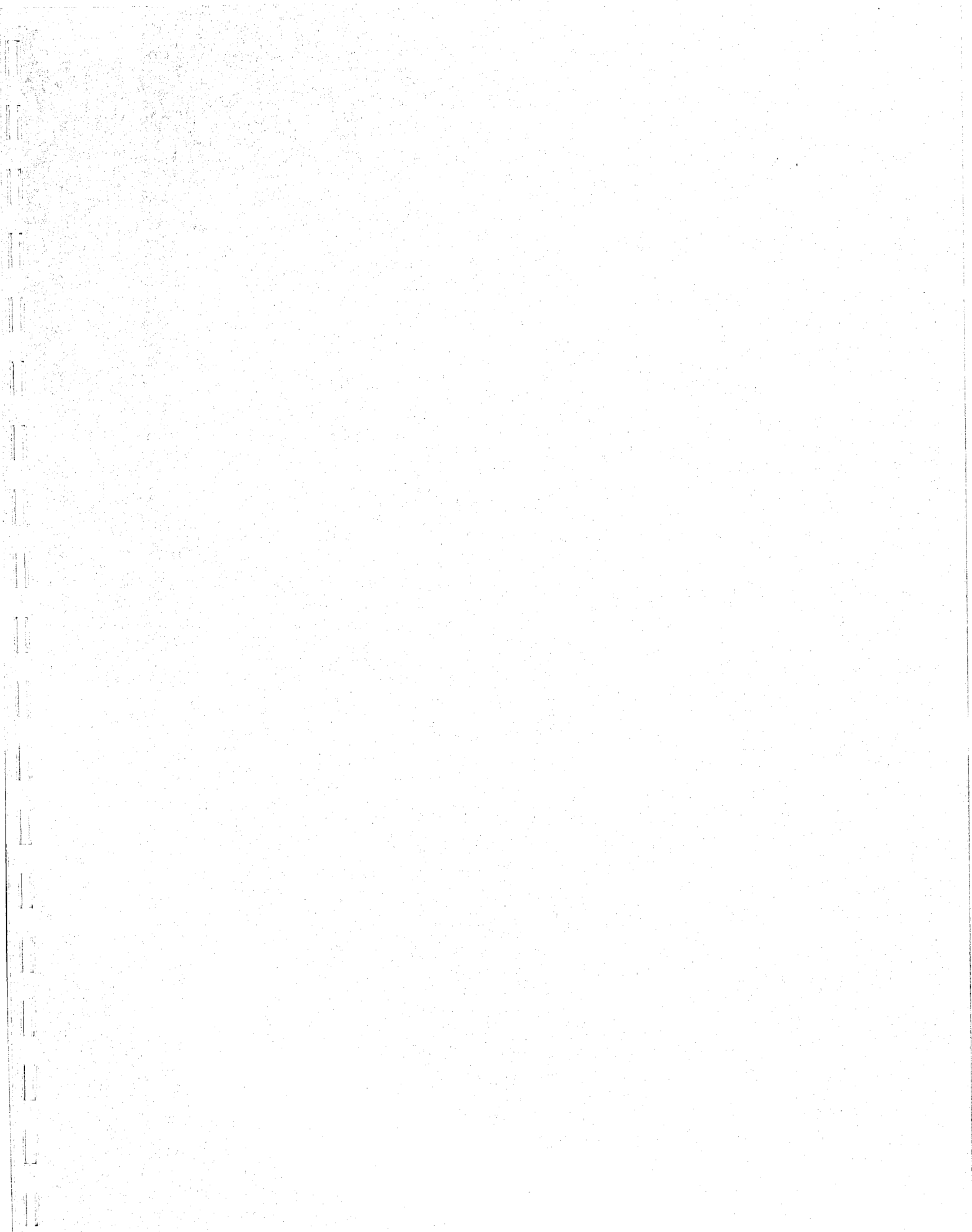
NEEDS & ISSUES	SOLUTIONS & SERVICES
<p>Technical</p> <ul style="list-style-type: none"> <li>• The County is requesting an independent audit performed on its financial statements, and the financial statements of the Constitutional Officers, for the fiscal years ending September 30, 2017, 2018 and 2019. Nassau County desires the auditor to express opinions on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles including the County, Board of County Commissioners, and each Constitutional Officer.</li> <li>• Nassau County also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles; specifically the budgetary comparison statements for the General Fund and the Major Revenue Funds.</li> <li>• The auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules.</li> <li>• The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.</li> <li>• The auditor is not required to audit the schedule of expenditures of federal and state awards. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Perform external audit services in accordance with generally accepted government auditing standards and:               <ul style="list-style-type: none"> <li>➤ Section 11.45, Florida Statutes</li> <li>➤ Regulations of the Florida Department of Financial Services</li> <li>➤ Rules of the Florida Auditor General (Chapter 10.550, Local Government Entity Audits)</li> <li>➤ Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, published by the U.S. Government Accountability Office</li> <li>➤ U.S. Office of Management and Budget, Single Audit</li> <li>➤ Any other applicable federal, state and local laws or regulations</li> </ul> </li> <li>• Perform additional services as needed to provide for appropriate preparation or review of the special reports as listed herein. These services are to be provided in conjunction with the identified audit services.</li> </ul>
<p>Technical</p> <ul style="list-style-type: none"> <li>• Nassau County intends to produce a Comprehensive Annual Financial Report (CAFR). Nassau County will forward its 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. It is anticipated that the selected Proposer will be required to provide possible special assistance to Nassau County to meet the requirements of that program.</li> </ul>	<ul style="list-style-type: none"> <li>• Perform additional services as needed to provide special assistance to Nassau County to meet the requirements of the Comprehensive Annual Financial Report (CAFR) program.</li> </ul>

## UNDERSTANDING & MEETING YOUR NEEDS

NEEDS & ISSUES	SOLUTIONS & SERVICES
<p>Technical</p> <ul style="list-style-type: none"> <li>• Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:</li> <li>• Opinions on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal and state awards "in relation to" the audited financial statements will be provided for the County, the Board of County Commissioners, and the individual Constitutional Officers if applicable.</li> <li>• A report on compliance and internal control over financial reporting based on an audit of the financial statements in accordance with the Governmental Auditing Standards.</li> <li>• A report on compliance and internal control over compliance applicable to each major federal program and state financial assistance projects.</li> <li>• A letter of compliance on the Local Governmental Entity Financial Condition Assessment as required by the Florida Auditor General Chapter 10.550 (most recent effective date).</li> <li>• A report on compliance with Section 218.415, Florida Statutes.</li> <li>• A report on compliance with Section 365.172(10) and Section 365.173(2)(d), Florida Statutes</li> <li>• For the Clerk of Courts &amp; Comptroller, a report on compliance with Section 28.35 and Section 28.36, Florida Statutes</li> <li>• For the Clerk of Courts &amp; Comptroller, a report on compliance with Section 61.181, Florida Statutes.</li> <li>• Any other attestations/audits as may be required by Florida Statutes or Florida Administrative Code. This includes, but is not limited to:             <ul style="list-style-type: none"> <li>➤ A report on the fair presentation of the Schedule of Activity, Landfill Management Escrow Account, to comply with rule 62-701.630(5) of the Florida Administrative Code.</li> <li>➤ A report on the fair presentation of the Statement of County Funded Court-Related Functions, Section 29.0085, Florida Statutes.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Perform audit services in accordance with auditing standards generally accepted in the United States of America for the purpose of compliance with Rule 62-701.630(5) of the Florida Administrative Code.</li> <li>• Perform additional services as needed to provide for appropriate preparation or review of the special reports as listed herein. These services are to be provided in conjunction with the identified audit services.</li> </ul>

## UNDERSTANDING & MEETING YOUR NEEDS

NEEDS & ISSUES		SOLUTIONS & SERVICES
Technical	<ul style="list-style-type: none"> <li>All workpapers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by Nassau County of the need to extend the retention period. The auditor will be required to make work papers available, upon request, to parties or their designees, including, but not limited to, parties designated by the Federal or State governments or by Nassau County as part of an audit quality review process.</li> </ul>	<ul style="list-style-type: none"> <li>Make workpapers available, upon request to parties or their designees, including, but not limited to, parties designated by the Federal or State governments or by Nassau County as part of an audit quality review process.</li> </ul>
Technical	<ul style="list-style-type: none"> <li>The County needs a certificate of insurance evidencing the insurance coverage requested within ten (10) calendar days after award. Failure to provide certificate of insurance within the ten (10) calendar days shall provide the basis for termination of award. Any and all insurance certificates shall cite Nassau County Board of County Commissioners as an additional insured.</li> </ul>	<ul style="list-style-type: none"> <li>Provide all certificates of insurance within ten calendar days of award.</li> </ul>
Relational	<ul style="list-style-type: none"> <li>The County's management team expects open and continuous communication with their CPA firm in order to avoid surprise findings at the end of the audit. In addition, they are open to constructive improvements, if any are noted, in the form of a management letter.</li> </ul>	<ul style="list-style-type: none"> <li>Communicate contemporaneously and directly with management regarding the results of our procedures.</li> <li>Anticipate and respond to concerns of management and/or the Board of County Commissioners and Constitutional Officers.</li> <li>Provide a written management letter if areas for improvement are found during the audit.</li> </ul>



## YOUR SERVICES & FEES

We value creating mutually-rewarding, long-term relationships with our clients. Our goal is to provide high quality, responsive service that yields returns far greater than your investment in our professional fees. Please find below our all-inclusive proposal of fees to provide the requested services for the upcoming three respective fiscal years.

SERVICE	CRI FEES		
	2017	2018	2019
Perform external audit services in accordance with auditing standards generally accepted in the United States of America (GAAS)	\$178,500	\$178,500	\$179,500
<b>TOTAL FEES FOR THREE YEARS</b>			<b>\$536,500</b>

\*If the optional two (1) year renewals are exercised, fees for 2020 and 2021 would be \$181,000 for each year.

### UNIQUE SAVINGS OPPORTUNITY WITH CRI

CRI offers the unique opportunity to utilize the CRI vSTAR™ process, our virtual audit process that combines minimal hardware, collaborative software, and cameras to allow us to perform all or part of our audit engagement virtually and in real time. CRI vSTAR™ clients will enjoy reduced or eliminated travel costs – which translates into savings.

CRI has professionals who can provide an array of additional services, including grant closeout audits, agreed-upon procedures, fraud audits, data analysis, cybersecurity, and many other services.

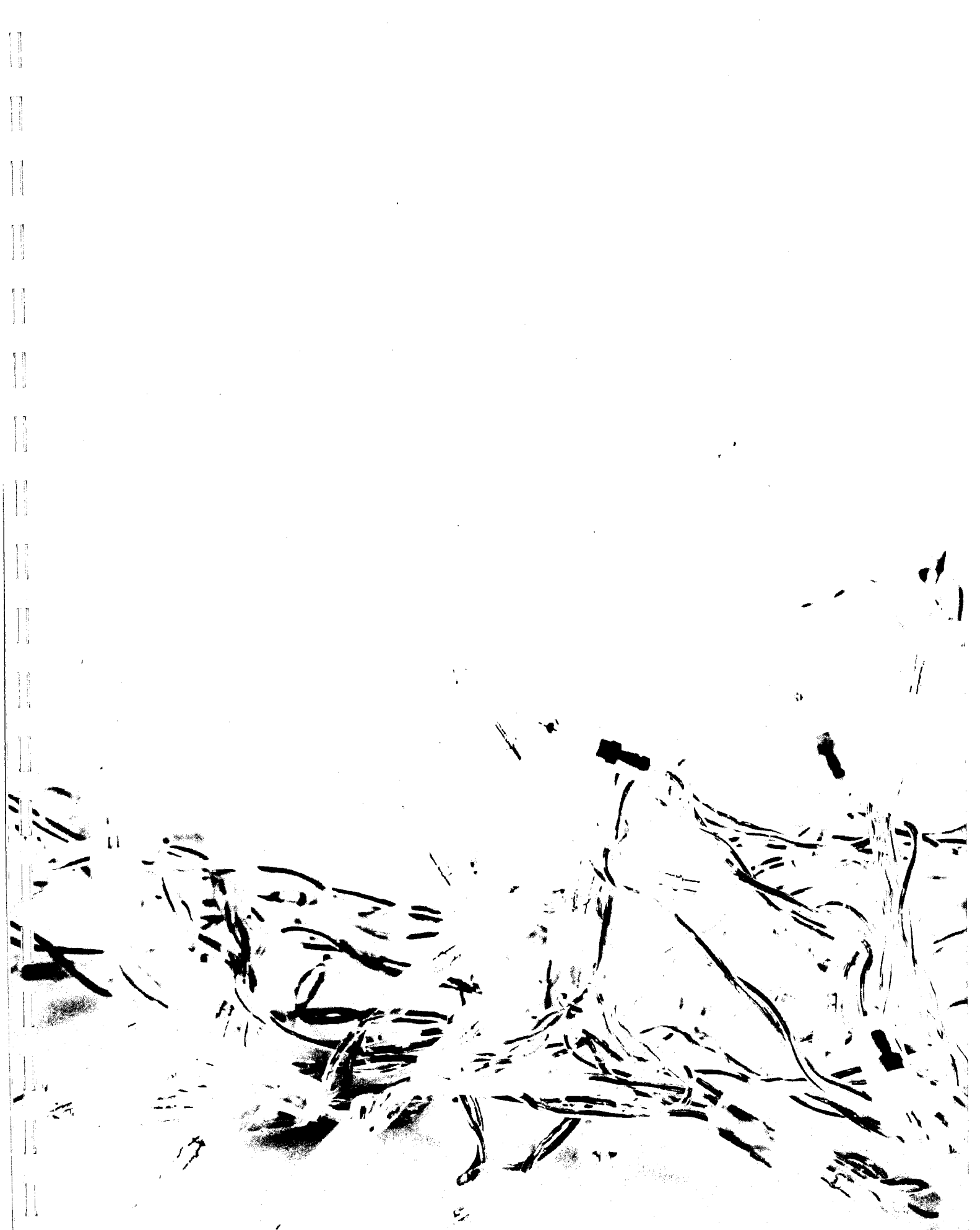
If the BOCC requests additional services outside of this proposal, professional fee hourly rates are as follows, but may be negotiated depending on the project request:

CLASSIFICATION	HOURLY RATE
Partner	\$240
Manager	\$150
Senior	\$110
Staff	\$100
IT Specialist	\$220
Fraud Specialist	\$220

Our professional fees are based on the key assumptions that the County will:

- Make available all necessary documents for review.
- Prepare certain schedules and analyses and provide supporting documents as requested.
- Assist us in obtaining an understanding of any changes in the accounting systems of the County.
- Not experience a significant change in business operations or financial reporting standards.





# FIRM PROFILE

Text CRI to 66866 to receive CRI News and Alerts.

**100,000+**  
Clients in all 50 states

**25+**  
Markets

plus Canada, Puerto Rico, and overseas military installations

Office Locations in **9** States

**8**  
Professional Organization Memberships

American Institute of Certified Public Accountants (AICPA) Affiliate for CPAs

AICPA Private Consultant Chapter Member

Member for Audit Quality (AQIP)

Capitol Hill Benefit Plan Audit Quality Center of the AICPA

Governmental Audit Quality Center of the AICPA

International System Audit and Control Association (ISACA)

Techniques of Internal Auditing (TIA)

Public Company Accounting Oversight Board (PCAOB)

**1997**  
Year Founded

**1,400+**  
Professionals

**20**  
Years of Consistent Year-Over-Year Growth (since formation)

**225+**  
Partner Designations

26 are different

- CPA CVA CGFM
- CPE CMA FAIM
- ADV CAM MGSE
- CFI MCP CIFA
- CFF CIP CGEI
- ACP CESA CCIFP
- CPE CISA CMPE
- CSP CIGA CISP
- PPS CRISC

## Professional Association

PrimeGlobal

MORE ABOUT PRIMEGLOBAL

PrimeGlobal is a leading provider of professional services to the public sector. We are a member of the PrimeGroup, a leading provider of professional services to the private sector.

Top 25 CPA Firm in the U.S.

**200+**  
Partners

**4,400+**  
Partner Years of Experience



**CRI** CARR RIGGS & INGRAM

CPAs and Advisors

CRIcpa.com

## GENERAL FIRM INFORMATION

### Professional Organization Memberships

American Institute of Certified Public Accountants (AICPA)  
Alliance for CPA firms

Florida Institute of Certified Public Accountants (FICPA)

AICPA Private Companies Practice Section

Center for Audit Quality (CAQ)

Employee Benefit Plan Audit Quality Center of the AICPA

Governmental Audit Quality Center of the AICPA

Information Systems Audit and Control Association (ISACA)

Institute of Internal Auditors (IIA)

Public Company Accounting Oversight Board (PCAOB)

Florida Government Finance Officers Association (FGFOA)

Established in 1997, Carr, Riggs & Ingram, LLC ("CRI") is a Southeast regional certified public accounting and consulting firm **ranked by *Public Accounting Report* as the 20<sup>th</sup> largest firm in the nation**. We currently have 52 offices located in 9 southern states. CRI was organized as a limited liability corporation in Alabama in 1997 and has roots going back for over 40 years.

CRI has 19 office locations in Florida with over 350 employees. These offices house a team of accountants with extensive experience auditing governmental entities, with a focus on counties with fund types similar to those of Nassau County. Our 19 Florida offices have a heavy concentration of governmental audit clients and currently perform services for over 200 cities, counties, special districts, and other governmental entities. Many of our team members are regular presenters at state and local chapter FGFOA events.

CRI employs more than 1,600 professionals, including 200+ partners. CRI serves clients in all 50 states, providing a wide variety of high-quality, cost-effective accounting, assurance, tax and consulting services to governmental entities, individuals, businesses (both publicly and privately held) and non-profit organizations.

## FLORIDA'S GOVERNMENT TEAM

CRI's Florida offices work as a team on many engagements. **The County's audit will be staffed with team members from the Jacksonville, St. Augustine, Palatka, and Gainesville offices.** Specialists and consulting partners may be utilized from other offices of CRI should the need arise during the audit process. CRI is a full service firm providing high quality audit, accounting, tax, and consulting services.

CRI's Florida governmental practice is led by a team of partners from key Florida offices to ensure that Florida governmental clients receive the best service utilizing all resources and expertise available. The lead partners proposed for the County's audit are all members of this Group. The Group meets regularly, both in person and by teleconference to coordinate client service, educational opportunities and information exchange. **No other firm in the State has a comparable group internally that can provide this much experience and leadership.** Examples of individual Florida Governmental Practice Group involvement in the CPA profession, which demonstrates our commitment to quality, service, and capability include:

- Chair of the U.S. Auditing Standards Board
- Vice-Chair of the Florida Board of Accountancy
- Multiple reviewers for the GFOA's Certificate of Achievement for Excellence in Financial Reporting program
- Firm membership in the AICPA's Governmental Audit Quality Center, including an individual member of the Executive Council
- Multiple authorships of national governmental publications, guides and articles
- Multiple speaking engagements to Florida governmental conferences, including the School of Government Finance
- Member of GAO Government Auditing Standards Advisory Council

## FIRM PROFILE

### FLORIDA'S GOVERNMENT TEAM

CRI will assign 5 partners, 1 audit manager, 1 supervising senior, 1 audit senior, and additional staff as needed to your account. You will also have 2 additional technical review partners, an IT specialist partner, and data analytics partner. All staff in this engagement will be employed on a full-time basis except the IT specialist partner, whose services will be utilized as deemed necessary based on the audit plan. All resumes and applicable certifications are included in this proposal. The CRI engagement team that will be serving the County is made up of individuals that have a long history of auditing local governments and governmental type entities. These clients include cities, counties, school districts, special taxing districts and other types of entities. All of these audits were performed under the authoritative guidance of GASB requirements; Single Audit regulations; and when required, the Comprehensive Annual Financial Report requirements for submission to the Government Finance Officers Association (GFOA).

### PARTICIPATION IN PROFESSIONAL ORGANIZATIONS

Many of our Florida professionals serve in leadership roles in the accounting profession and are active members of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. They also serve as guest speakers for business associations as well as author works on key issues for inclusion in professional journals and business or financial publications. Supervisory personnel on this engagement are actively involved in government sector professional organizations and frequently participate as speakers on government-related topics for these professional organizations. We are committed to continue our active participation in local, state and national governmental finance organizations.

### INDEPENDENCE

CRI is independent of the Nassau County Government and its component units as defined by generally accepted auditing standards and the U.S. General Accountability Office's "Government Auditing Standards (2011)." We have had no professional relationships with Nassau County that would impair our independence.

### LICENSE TO PRACTICE IN THE STATE OF FLORIDA

CRI is licensed in the state of Florida under license #AD0016615 and has performed continuous governmental audit services for over 20 years. Additionally, all supervisory professional staff assigned to the County audit are licensed in the State of Florida as Certified Public Accountants. CRI is licensed to practice in Florida as well as Alabama, Georgia, Kentucky, Mississippi, Louisiana, North Carolina, Tennessee and Texas. CRI's Federal ID Number is 72-1396621. The firm and all assigned key professional staff are properly licensed to practice in the state of Florida.

### FEDERAL OR STATE DESK REVIEWS OR FIELD REVIEWS

The Firm's governmental audit work is subject to normal, Federal and State desk reviews and field reviews. No adverse findings have resulted from those reviews within the past five (5) years.

### **STATUS OF ANY DISCIPLINARY ACTION TAKEN OR PENDING**

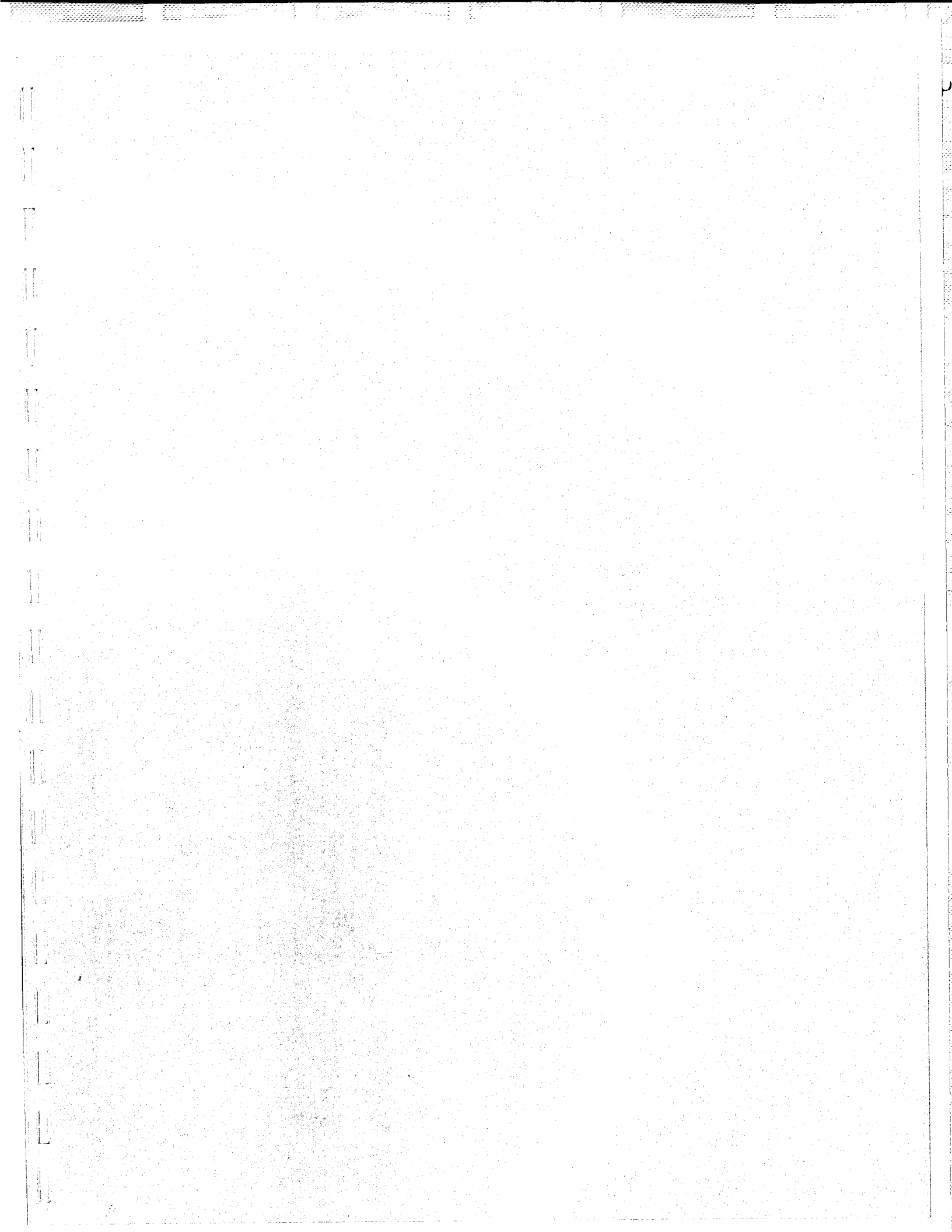
CRI meets all specific requirements, rules and regulations imposed by state and federal law. The Firm has not been the subject of any disciplinary actions, nor are we aware of any actions pending, involving any regulatory bodies or professional organizations within the past three (3) years. Further, CRI is not the subject of any current or pending litigation as it relates to the services the Firm provides in the regular course of business.

### **WORKING PAPERS**

In all cases, CRI will retain all working papers and reports for a minimum of five (5) years, unless we are requested by the County to extend the retention period. CRI will make any working papers available at the County's request to the following parties or their designees: the County, the U.S. Government Accountability Office, parties to an audit quality review process and auditors of entities of which the County is a recipient of grant funds. Additionally, CRI will respond to successor auditor inquiries and requests to review working papers.

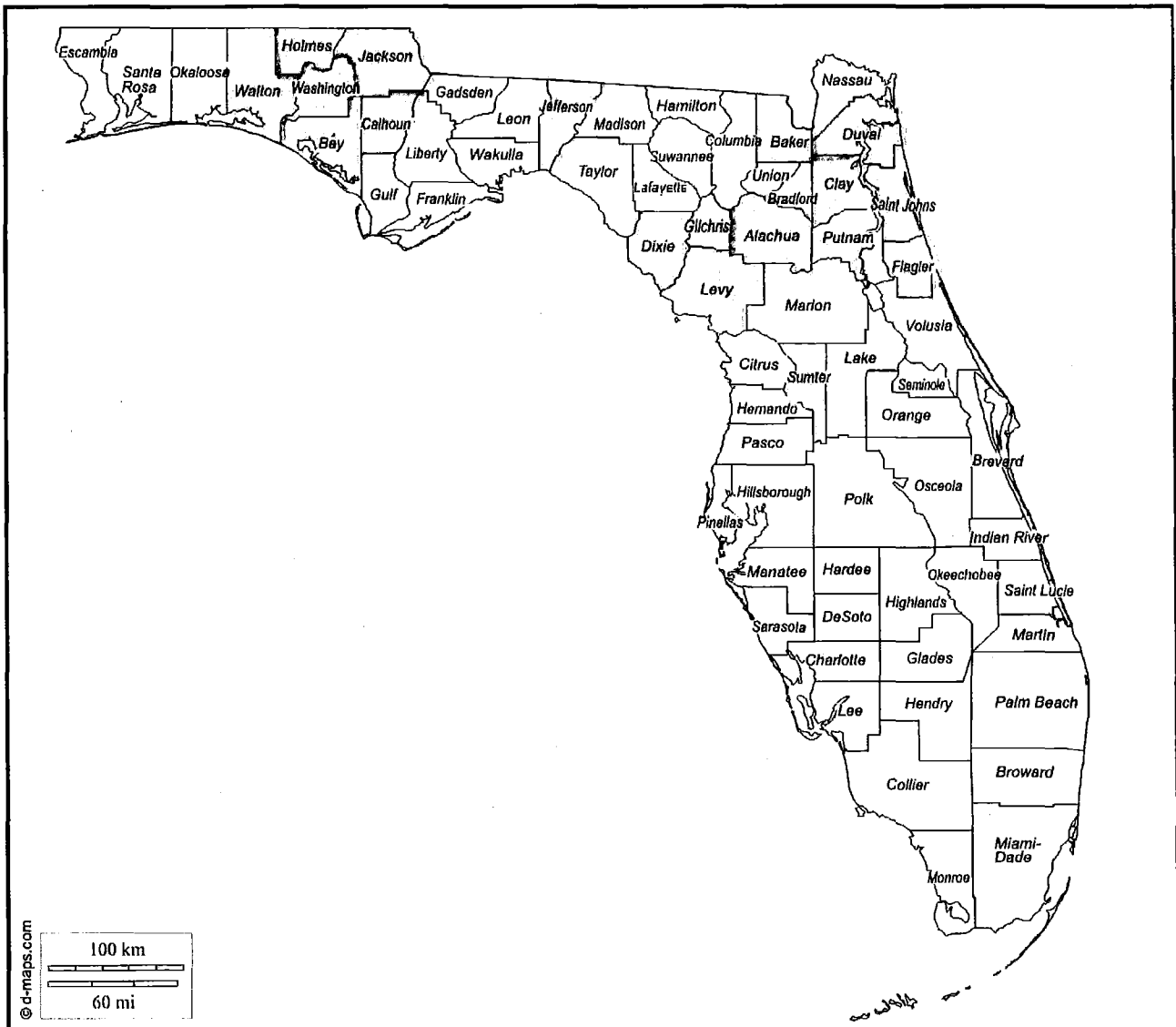
### **INTERNAL QUALITY CONTROL REVIEWS AND EXTERNAL REVIEWS**

Experienced partners and professional staff of our firm conduct quality control reviews of our audits. Our partners' work is reviewed annually, and the inspection process includes periodic testing of the effectiveness of our quality controls and a continuous improvement program. Peer reviews are performed every three years by another independent public accounting firm. The most recent review of our firm was performed in 2014 by EideBailly, whose report was the most favorable possible. A copy of our most recent peer review report is included in the Appendix.



## EXPERIENCE WITH GOVERNMENTAL CLIENTS

The 18 counties highlighted in blue on the map below represent current clients for whom CRI is engaged to perform the external audit. Carr, Riggs, & Ingram also works with more than a dozen additional counties not highlighted below for smaller consulting engagements. CRI is much more than just a government auditor, we also offer: Agreed Upon Procedures Review and Consulting, Fraud Prevention Consulting, Forensic Accounting, Internal Control Evaluations and Reviews, Construction Audit, IT Risk Assessment & IT Security Reviews.



## EXPERIENCE WITH GOVERNMENTAL CLIENTS

The chart below further illustrates CRI's experience with external audits of Florida counties in comparison to other CPA firms. We parlay this vast experience and derived best practices into proven solutions that benefit you. Many counties choose to rotate auditors, especially after long periods using the same firm. Risks arise from close association and overfamiliarity, and threats to independence and objectivity can be minimized by rotation. Even though audit firm rotation is common, CRI consistently audits far more Florida counties than any other CPA firm. We believe that when you're committed to providing a superior level of service, clients will rotate in faster than they rotate out.

CPA FIRM	Number of Counties*
<b>Carr, Riggs, &amp; Ingram</b>	18
<b>CliftonLarsonAllen</b>	7
<b>Purvis, Gray &amp; Co</b>	6
<b>Moore Stephens</b>	5
<b>Powell &amp; Jones</b>	4
<b>Cherry Bekaert</b>	4
<b>Warren Averett</b>	3
<b>Vance &amp; Associates</b>	2
<b>Shin &amp; Company</b>	2
<b>Crowe Horwath</b>	2
<b>Ashley Brown &amp; Co.</b>	1
<b>Berman Hopkins</b>	1
<b>Berger, Toombs, Elam</b>	1
<b>James Moore</b>	1
<b>Jim Davis, CPA</b>	1
<b>Keith Daniels</b>	1
<b>KPMG</b>	1
<b>Lanigan and Associates</b>	1
<b>Moran and Smith</b>	1
<b>Rehmann</b>	1
<b>Thomas Howell Ferguson</b>	1

*\* taken from the most recent filed reports listed on the Florida Auditor General website on 3/22/2017*

CRI delivers a depth of resources that ensures our understanding of your challenges, and provides innovative solutions for overcoming them. Our government team's 1,100+ years of combined experience is derived from providing audit and accounting outsourcing services to a client base that includes:

- 450+ governmental entity clients across the South (over 200 in Florida) totaling approximately \$22 billion in total revenues,
- Performing single audits for approximately 30% of all governmental clients, and
- Governmental clients of up to \$1.6 Billion in total revenues.

Our proposed services require a coordinated effort between us and the County's team. Planning and continual communication are essential to developing the appropriate procedures, working collaboratively to resolve any identified issues, and meeting your timelines.



## EXPERIENCE WITH GOVERNMENTAL CLIENTS

Below we have listed Florida's 67 counties and the CPA firm currently engaged to perform the external audit. The information was taken from the most recent filed reports on the State of Florida Auditor General website [www.myflorida.com/audgen](http://www.myflorida.com/audgen) on 3/22/2017. From the chart you can see CRI's extensive experience with similar government engagements. CRI currently performs the external audit for 18 Florida counties.

<b>County</b>	<b>CPA Firm</b>	<b>County</b>	<b>CPA Firm</b>
Alachua	Carr, Riggs, & Ingram	Lee	CliftonLarsonAllen
Baker	Carr, Riggs, & Ingram	Leon	Thomas, Howell, Ferguson
Bay	Carr, Riggs, & Ingram	Levy	Carr, Riggs, & Ingram
Bradford	Purvis, Gray, & Co.	Liberty	Moran and Smith
Brevard	Berman, Hopkins, Wright, & LaHam	Madison	Lanigan & Associates
Broward	Crowe Horwath	Manatee	Shinn, & Company
Calhoun	Carr, Riggs, & Ingram	Marion	Purvis, Gray, & Co.
Charlotte	Cherry Bekaert	Martin	RSM
Citrus	Moore Stephens	Miami-Dade	RSM
Clay	Carr, Riggs, & Ingram	Monroe	Cherry Bekaert
Collier	CliftonLarsonAllen	Nassau	Purvis, Gray, & Co.
Columbia	Powell & Jones	Okaloosa	Warren Averett
Desoto	Purvis, Gray, & Co.	Okeechobee	CliftonLarsonAllen
Duval	Carr, Riggs, & Ingram	Orange	Cherry Bekaert
Dixie	Carr, Riggs, & Ingram	Osceola	Moore Stephens
Escambia	Warren Averett	Palm Beach	RSM
Flagler	Carr, Riggs, & Ingram	Pasco	KPMG
Franklin	Vance & Associates	Pinellas	Crowe Horwath
Gadsden	Purvis, Gray, & Co.	Polk	CliftonLarsonAllen
Gilchrist	Carr, Riggs, & Ingram	Putnam	Carr, Riggs, & Ingram
Glades	CliftonLarsonAllen	Santa Rosa	Warren Averett
Gulf	Vance & Associates	Sarasota	Shinn & Company
Hamilton	Keith Daniels CPA	Seminole	Moore Stephens
Hardee	CliftonLarsonAllen	St. Johns	Carr, Riggs, & Ingram
Hendry	Ashley, Brown, & Company	St. Lucie	Berger, Toombs, Elam, Gaines, & Frank
Hernando	Purvis, Gray, & Co.	Sumter	Carr, Riggs, & Ingram
Highlands	CliftonLarsonAllen	Suwannee	Powell & Jones
Hillsborough	Cherry Bekaert	Taylor	Powell & Jones
Holmes	Carr, Riggs, & Ingram	Union	James Moore
Indian River	Rehmann	Volusia	Moore Stephens
Jackson	Carr, Riggs, & Ingram	Wakulla	Powell and Jones
Jefferson	Carr, Riggs, & Ingram	Walton	Carr, Riggs, & Ingram
Lafayette	Jim Davis	Washington	Carr, Riggs, & Ingram
Lake	Moore Stephens		

## EXPERIENCE WITH GOVERNMENTAL CLIENTS

Below we list some of CRI's governmental clients and the services provided. We will be glad to provide contact information for any of the governments shown. From the chart you can see that CRI's Florida offices assist with at least 22 CAFR's each year. In addition, CRI offices in Florida perform over 50 single audits each year.

Governmental clients in the State of Florida served by CRI							
Services Provided	Total Number of Funds	Total Revenue	Annual Audit	Single Audit	CAFR Award	IT Advisory	Various Consulting Services
<b>County Government Clients</b>							
Alachua County, Florida	95	\$260M	✓	✓	✓		
Baker County, Florida	37	\$29M	✓	✓			
Bay County, Florida	31	199M	✓	✓	✓		
Brevard County, Florida	38	\$505M					✓
Calhoun County, Florida	33	\$25M	✓	✓			
Clay County, Florida	64	\$130M	✓	✓	✓		
Dixie County, Florida	30	\$18M	✓	✓			
Duval County	124	\$1.6B	✓	✓	✓		
Escambia County, Florida	N/A	N/A	✓	✓	✓		✓
Flagler County, Florida	41	\$100M	✓	✓			
Gilchrist County, Florida	31	\$16M	✓	✓			
Holmes County, Florida	18	\$16M	✓	✓		✓	✓
Jackson County, Florida	60	\$40M	✓	✓			
Jefferson County, Florida	12	\$25M	✓	✓			
Levy County, Florida	39	\$41M	✓	✓			
Putnam County, Florida	52	\$87M	✓	✓	✓		
St. Johns County, Florida	99	\$293M	✓	✓	✓	✓	
Sumter County, Florida	44	\$102M	✓	✓			
Walton County, Florida	41	\$110M	✓	✓	✓	✓	✓
Washington County, Florida	92	\$27M	✓	✓			
<b>Municipal Government Clients</b>							
City of Callaway, Florida	6	\$13M	✓	✓	✓		
City of Chiefland, Florida	4	\$4M	✓	✓			
City of Cocoa, Florida	19	\$89M	✓	✓			
City of Cross City, Florida	2	\$2M	✓	✓			
City of Daytona Beach, Florida	30	\$135M	✓	✓	✓		
City of Daytona Beach Shores, Florida	6	\$17M	✓				
City of Destin, Florida	6	\$13M	✓	✓	✓		
City of Gainesville, Florida	86	\$130M	✓	✓	✓		
City of Green Cove Springs, Florida	6	\$130M	✓	✓	✓		
City of Gulfport, Florida	14	\$17M	✓		✓		
City of Howey-in-the-Hills, Florida	9	\$2M	✓	✓			
City of Inglis, Florida	3	\$2M	✓	✓			
City of Jacksonville	124	1.6B	✓	✓	✓		
City of Largo, Florida	15	\$38M	✓	✓	✓		
City of Melbourne, Florida	24	\$159M	✓	✓	✓		
City of New Port Richey, Florida	10	\$40	✓	✓	✓		
City of New Smyrna Beach, Florida	17	\$41M	✓	✓	✓		
City of Okeechobee, Florida	6	\$6M	✓				
City of Palatka, Florida	10	\$18M	✓	✓	✓		
City of Palm Bay, Florida	26	\$103M	✓	✓	✓		
City of Port Orange, Florida	N/A						✓
City of Satellite Beach, Florida	9	\$11M	✓	✓			
City of St. Augustine Beach, Florida	4	\$13M	✓	✓			

## EXPERIENCE WITH GOVERNMENTAL CLIENTS

Services Provided	Total Number of Funds	Total Revenue	Annual Audit	Single Audit	CAFR Award	IT Advisory	Various Consulting Services
City of Tallahassee, Florida	39	\$687M	✓	✓	✓		
City of Treasure Island, Florida	9	\$15M	✓		✓		✓
City of Webster, Florida	4	\$1M	✓	✓			
City of West Melbourne, Florida	7	\$20M	✓		✓		
City of Wildwood, Florida	5	\$10M	✓	✓			
City of Yankeetown, Florida	2	\$750K	✓	✓			
Town of Callahan, Florida	2	\$1M	✓	✓			
Town of Indialantic, Florida	6	\$3M	✓				
Town of Hastings, Florida	2	\$1M	✓	✓			
Town of Longboat Key, Florida	32	\$24M	✓	✓	✓		
Town of Melbourne Beach, Florida	8	\$3M	✓	✓			
Town of Welaka, Florida	2	\$2M	✓	✓			
<b>School District Clients</b>							
Calhoun County School Board, Florida	6	\$663K	✓	✓			
Florida Virtual School	13	\$121M	✓	✓			
Monroe County Public Schools, Florida (Internal Accounts)	1	\$3M	✓				
Orange County Public Schools, Florida (Internal Accounts)	1	\$43M	✓				
Okaloosa County District School Board, Florida	20	\$269M	✓	✓			
St. Johns County Public Schools, Florida (Internal Accounts)	20	\$11M	✓				
Pinellas County School District School Board, Florida	20	\$225M	✓	✓			
Santa Rosa County District School Board, Florida	N/A	N/A					✓
Walton County School Board, Florida	9	\$2M					✓
Volusia County School District, Florida (Internal Accounts)	1	\$6M	✓				
<b>Other Government Clients</b>							
Canaveral Port Authority	1	\$69M	✓	✓	✓		
Citizens Property Insurance Corporation	1	\$2B	✓				
Enterprise Community Development District	4	\$7M	✓				
Florida State Fair Authority	1	\$17M	✓				
Florida State University School, Inc.	4	\$14M	✓				
Melbourne-Tillman Water Control District	1	\$2M	✓				
Mid Bay Bridge Authority	1	\$18M	✓				
Miami-Dade Airport Department	N/A	N/A	✓				
Sebastian Inlet District Commission	1	\$2M	✓				
Space Florida	1	\$26M	✓				
St. Augustine – St. Johns County Airport Authority	1	\$3M	✓	✓			
St. Johns County Housing Finance Authority	1	\$2M	✓				
St. Johns County Industrial Development Authority	1	\$100K	✓				

## EXPERIENCE WITH GOVERNMENTAL CLIENTS



**Audit**  
450+ governmental entities with annual revenues totaling \$24 billion

**Clients**  
with annual revenues up to  
School District: \$1 billion  
Municipality: \$50 million  
Agencies/Authorities: \$1 billion

**Different Governmental Partner Designations**  
CPA, CGFM, CIFA, CFE, CMA, CMAA, CGEII, CRA, CFF, CGMA, COAF

**Perform Single Audits**  
250+ governmental entities includes \$7 billion federally awarded expenditures

**Clients by entity type**

10%	Agencies/Authorities
12%	Utilities
14%	Counties
41%	Municipalities
19%	School Districts

**Spotlighting Our Expertise**

During the seven years we have worked with Carr, Riggs & Ingram, I have found that their team has tremendous expertise in local government financial operations. They have demonstrated a keen understanding of our risks and worked with our city officials to develop sensible solutions to mitigate those risks. Moreover, they have provided us with a number of suggested "best practices" in day-to-day operations and have helped document the way we do things. I can say without question that Carr, Riggs & Ingram has truly made a measurable difference for the City of Moultrie and its finance department. I would recommend them for any work for which they are under consideration.

*— Gary McDaniel, Finance Director  
City of Moultrie, Georgia*

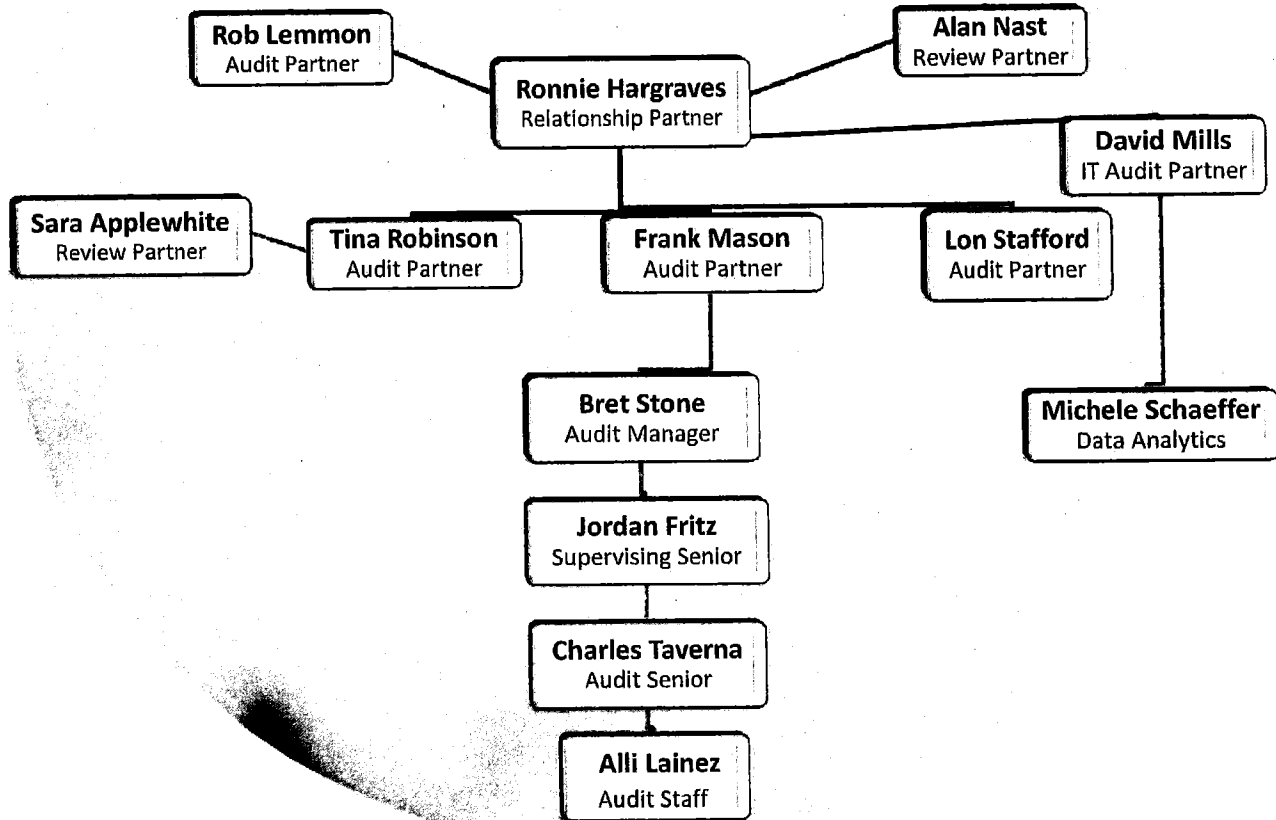
## EXPERIENCE AND QUALIFICATIONS OF STAFF

We have assembled a team of professionals who will ensure the highest level of personal dedication and professional excellence to you. Our team delivers exceptional services through a balanced blend of skills (service-driven, industry-specific, technical, and business) and experience that we know are important to you. Brief profiles of each member of the team identified below follow on subsequent pages.



### Enhanced Specialist Interaction Delivered by the CRI vSTAR™ Process

Enjoy access to industry and service specialists, regardless of location, with minimal scheduling and no travel.



## YOUR SOLUTIONS TEAM



**Rob Lemmon**  
Audit Partner

rlemmon@cricpa.com

### Representative Clients

- Duval County/ City of Jacksonville, FL
- Dixie County, FL
- Gilchrist County, FL
- Jacksonville Electric Authority
- City of Gainesville, FL
- Gainesville Regional Utilities
- City of Wildwood, FL
- Howey in the Hills, FL
- Cross City, FL
- Town of Inglis, FL
- Cedar Key Water & Sewer District
- Big Bend Water Authority
- University of California, Irvine

### Experience

Rob has worked as an auditor for 11 years. Before joining CRI, he spent 7 years working with PWC gaining experience in various sectors performing annual audits and quarterly reviews for publicly listed entities, private companies, non-profit entities and governmental entities. Rob worked for PWC at their London, Bermuda and Los Angeles offices. He is proficient in US and UK GAAP as well as IFRS.

Rob has performed and overseen testing of internal controls under section 404 of the Sarbanes-Oxley Act, and reviews and testing procedures for publicly listed clients. He has assisted in the preparation of financial statements for his clients and has conducted Single Audits for governmental and non-profit entities. He has extensive experience auditing investments, compliance, pensions, and a variety of complex derivatives and other instruments.

While with PwC in Bermuda (2009-2011) he served as the audit manager for the audit of the national electric utility company and the national telecom provider of Bermuda as well as the national water company and various non-profit and for-profit entities.

Since joining CRI in 2013, Rob has developed a specialty for governmental auditing and Single Audit compliance testing and has led the audits of the City of Jacksonville and the City of Gainesville. He has also conducted training sessions of Governmental Accounting Standard updates and audit quality initiatives. He has also managed audit engagements for a number of non-profit entities, for-profit entities and employee benefit plans and has performed special projects including an examination engagement over utility taxes and an allocation audit over pension-related amounts for a large defined benefit pension plan which incorporated new, complex pension standards.

### Education

- BA, Business Accounting and Finance, University of Newcastle on Tyne, England
- CPA examinations - passed

### Professional Affiliations

- Institute of Chartered Accountants in England and Wales
- Florida Institute of Certified Public Accountants

## YOUR SOLUTIONS TEAM



M. Ronald Hargraves, Jr.  
Relationship Partner

rhargraves@cricpa.com

### Representative Clients

Nassau County Mental Health,  
Alcoholism & Drug Abuse  
Council, Inc.

Nassau County Habitat for  
Humanity

Ronald McDonald House  
Charities of Jacksonville, Inc.

Jacksonville Speech and Hearing  
Center, Inc.

Women's Center of Jacksonville,  
Inc.

North Florida Transportation  
Planning Organizatiton

Florida State College at  
Jacksonville Foundation, Inc.

The Evergreen Cemetery  
Association

### Experience

Ronnie has over 30 years of experience in accounting and auditing, tax and consulting services in Jacksonville. His primary responsibilities are audit, review and compilation services to private companies in northeast Florida. His experience also includes providing tax compliance services to clients. Areas of industry specialization include nonprofit organizations, construction contractors, real estate development, manufacturing, and service industries.

### Education, Licenses & Certifications

- BS, Accounting, Jacksonville University
- Certified Public Accountant - Florida

### Professional Affiliations

- American Institute of Certified Public Accountant (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)



Alan Nast  
Technical Review Partner

anast@cricpa.com

**Representative Clients**

- **Flagler County, Florida**
- **Alachua County, Florida**
- **Clay County, Florida**
- **St. Johns County, Florida**
- **Sumter County, Florida**
- **Gilchrist County, Florida**
- **Levy County, Florida**
- **Dixie County, Florida**
- **Baker County, Florida**
- **Putnam County, Florida**
- **City of Gainesville, Florida**
- **City of Palatka, Florida**
- **City of St. Augustine Beach, Florida**
- **Town of Callahan, Florida**
- **Town of Hastings, Florida**

**Experience**

Alan Nast has more than 37 years of public, private, and governmental accounting and auditing experience. He is also one of only three professionals used by the Florida State Board of Accountancy to review governmental audit reports in consultation with the Auditor General's Office.

Alan is past-president of the North Central Florida Chapter of the FICPA. He is also a Rotarian and a member of the Gainesville Area Chamber of Commerce. Alan currently serves on the FICPA's State and Local Government Committee and is a reviewer for the GFOA's Certificate of Achievement program. He is a former member of the FICPA's Government Standards Review Committee, the FGFOA's Technical Resources Committee and the AICPA's prestigious Governmental Accounting and Auditing Committee, where he was instrumental in helping to develop the AICPA's Audit and Accounting Guide, Audits of State and Local Governmental Units.

Alan teaches accounting and auditing to other Certified Public Accountants throughout Florida and the United States. Of particular relevance is a course entitled "Auditing and Reporting on Local Governments in Florida," for which he was twice recognized as an "Outstanding Discussion Leader" by the FICPA. He also has made numerous presentations related to non-profit and governmental auditing and accounting issues.

**Education, Licenses & Certifications**

- Bachelors, University of Florida
- Certified Public Accountant

**Professional Affiliations**

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



## YOUR SOLUTION TEAM



Tina Robinson  
Audit Partner

trobinson@cricpa.com

### Representative Clients

- Flagler County, Florida
- Clay County, Florida
- Putnam County, Florida
- St. Johns County Florida
- Duval County/City of Jacksonville
- Alachua County, Florida
- Dixie County, Florida
- Levy County, Florida
- Gilchrist County, Florida
- Putnam County School District
- City of Palatka, Florida
- Town of Callahan, Florida
- Town of Hastings, Florida
- City of St. Augustine Beach, Florida
- Palatka Gas Authority
- St. Johns River State College Foundation, Inc.
- St. Johns River Water Management District
- Lee Conlee House, Inc.
- Jewish Family & Community Services, Inc.
- Rodeheaver Boys Ranch, Inc.
- First Assembly of God, Inc.

### Experience

Tina has 20 years' experience in public accounting, primarily in governmental and not-for-profit engagements, and has performed numerous audits of grants under the Federal Single Audit Act and the Florida Single Audit Act. She is responsible for audits, reviews, and compilations of local governmental entities, not-for-profit organizations and other entities.

She is a member of the State and Local Government section of the Florida Institute of Certified Public Accountants and exceeds all continuing professional education requirements related to *Government Auditing Standards*. She is currently a partner on over 30 governmental engagements in the State of Florida, including counties, municipalities and various special districts. Tina's experience includes preparing financial reports to aid her clients in obtaining a Certificate of Achievement for Excellence in Financial Reporting. Tina has been involved in the preparation of the FICPA Compliance Audit Guide Relevant to understanding local governmental entities. In addition, Tina is a Director and Past President of the Rotary Club of Palatka Sunrise, Assistant Governor for Rotary District 6970 Area 9, and an Executive Committee member of Putnam Habitat for Humanity.

### Education, Licenses & Certifications

- BS, Accounting, University of Florida
- MA, Accountancy, University of Florida
- Certified Public Accountant

### Professional Affiliations

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

### Recent Continuing Education

- GASB & Yellow Book Update
- OMB/Single Audit Practical Issues
- Q/A Panel: Governmental/Single Audit Issues
- IT Audit & Assurance: Top 10 Cyber Crimes

## YOUR SOLUTION TEAM



Sara Applewhite,  
Review Partner

sapplewhite@cricpa.com

### Representative Clients

- Jackson County, Florida
- Calhoun County, Florida
- Jefferson County, Florida
- Washington County, Florida
- City of Marianna, Florida
- City of Blountstown, Florida
- Town of Greenwood, Florida
- Town of Altha, Florida
- Town of Alford, Florida
- Chipola College Foundation
- Chipola Healthy Start, Florida
- Jackson County Transportation

### Experience

Sara is the partner in charge of the Marianna office of Carr, Riggs & Ingram, LLC and has over thirty five years of experience in public accounting. She has significant experience in serving both large and small entities in a wide variety of industries, including non-profit, healthcare, and governmental. She serves audit clients requiring an understanding of requirements under Yellow Book, Florida Single Audit Act, and Circular A-133, A-110 and A-122

### Education

- BS, Accounting (Magna Cum Laude), Florida State University
- Certified Public Accountant
- Certified Fraud Examiner

### Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Association of Certified Fraud Examiners (ACFE)

### Civic

- Rotary Club of Marianna
- FUMC of Marianna Finance Committee Chairman



**Frank Mason**  
Audit Partner

fmason@cricpa.com

**Representative Clients**

- Alachua County, Florida
- Levy County, Florida
- Sumter County, Florida
- Citrus District School Board
- City of Cross City
- City of Treasure Island
- City of Fanning Springs
- Town of Yankeetown
- City of Chiefland
- Town of Inglis
- City of New Port Richey
- Military Point Advanced Wastewater Treatment Facility
- Florida High School Athletic Association, Inc.
- Girl Scouts of Gateway Council, Inc.
- Hippodrome State Theatre, Inc.
- Okeechobee Council on Aging, Inc.
- Gainesville Council on Aging, Inc.
- PACE Center for Girls, Inc.
- Bradenton Council on Aging, Inc.
- LifeSouth Community Blood Centers, Inc.
- Five Points of Life Foundation

**Experience**

Frank Mason has worked in the accounting profession for 25 years specializing in audit, tax and accounting services for governmental entities, common interest realty associations, construction, not-for-profits, manufacturing, wholesale and retail sales, and professional service entities.

In 1998, Frank was appointed to the FICPA's Committee on Accounting Principles and Auditing Standards and in 2002 served as the Committee's Chairman. Prior to moving to Gainesville in 2007, Frank was a member of the Atlantic Chapter of the FICPA where he served as treasurer, secretary, president-elect and president. Frank is currently a member of the North Central Florida Chapter of the FICPA, where he also has served as treasurer, secretary, president-elect and president. Frank currently serves on the FICPA Chapter Operations Committee.

Frank has been very active in the communities he has lived. He has served on the board of directors of Delray Beach Kiwanis as treasurer, president-elect and president. He has served on the board of directors of the Delray Beach Boys and Girls Club as treasurer, assisting in fundraising over \$5 million for the construction of a new facility. Frank was the charter treasurer of the Triad Gator Booster Club, located in the Greensboro, High Point, and Winston-Salem, North Carolina area. Frank has served as president of and is currently on the board of directors of the Gainesville High School Band Boosters. Frank also currently serves as the treasurer of the Gainesville Youth Chorus.

**Education, Licenses & Certifications**

- BS, Accounting, University of Florida
- Certified Public Accountant

**Professional Affiliations**

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

## YOUR SOLUTION TEAM



Lon Stafford  
Audit Partner

lstafford@cricpa.com

### Representative Clients

- St. Johns County, Florida
- Clay County, Florida
- Baker County, Florida
- Flagler County, Florida
- Alachua County, Florida
- Sumter County, Florida
- Sumter County, Florida
- City of Webster, Florida
- City of Wildwood, Florida
- Town of Callahan
- Amelia Island Mosquito Control District
- Northeast Florida Area Agency on Aging
- Northeast Florida Regional Council
- First Coast Workforce Development Board
- Turning Point at Calvary Baptist

### Experience

Lon has over twenty-five years of accounting and auditing experience. During this time, he has performed audits of many local governments and not-for-profits. He also has extensive experience auditing construction contractors and public companies.

In addition to his professional experience above, Lon served as an instructor of business and management courses for Dale Carnegie and Associates, and treasurer of Kiwanis and Salvation Army. He is past president of the North Central Florida Chapter of the Florida Institute of Certified Public Accountants. Currently, he is a member of the Board of Directors of the Ancient City Lions Club and a Loaned Executive of the St. Johns County United Way.

### Education, Licenses & Certifications

- BS, Accounting, University of Florida
- Certified Public Accountant
- Member - American Institute of Certified Public Accountants (AICPA)
- Member - Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association (GFOA)

### Recent Continuing Education

- OMB/Single Audit Practical Issues
- GASB & Yellow Book Update
- IT Audit & Assurance: Top 10 Cyber Crimes
- Fraud Case Studies
- FASB Update
- IT Audit Task Force
- Not-for-Profit Update

## YOUR SOLUTION TEAM



**David Mills**  
MBA, CISA, CGEIT, CRISC, MCSE  
IT Audit and Assurance Partner

dmills@cricpa.com

### Representative Clients

- St. Johns County, Florida
- Walton County, Florida
- Duval County/City of Jacksonville
- Alachua County, Florida
- Clay County Florida
- Flagler County, Florida
- Jackson County, Florida
- Bay County, Florida
- Holmes County, Florida
- Calhoun County, Florida
- Escambia County, Florida
- Washington County, Florida
- Pinellas County School Board
- City of Gainesville, Florida
- City of Tallahassee Florida
- City of Port Orange, Florida
- Jefferson County Health Department
- City of Troy Alabama
- City of Longboat Key, Florida
- City of New Port Richey, Florida
- Retirement Systems of Alabama
- National Security Insurance

### Experience

David has over twenty years of IT experience. His specialties include IT compliance/audit, security, risk analysis, disaster recovery, network design, installation, and implementation. David's accomplishments include IT assessments/audits for Sarbanes Oxley, Health Insurance Portability and Accountability Act (HIPAA/HITECH), National Association of Insurance Commissioners, Gramm Leach Bliley, Federal Financial Institutions Examinations Council (FFIEC), National Credit Union Association, SSAE 16, SOC 2, SOC 3 and the Bank Secrecy Act. David serves on the AICPA SOC Peer Review committee as a subject matter expert for IT and is a member of the AICPA SOC task force.

David has served on the faculty of Troy University as an Adjunct Professor, a speaker and instructor for groups and associations such as the AICPA IT Executive Committee, Alabama, North Carolina, and Tennessee Society of CPA's. David is also a current editor of the ISACA Information Systems Control Journal.

### Education, Licenses & Certifications

- MBA, Troy University
- BS, Physics, Troy University
- Certified Information Systems Auditor

### Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Certified in the Governance of Enterprise IT
- Certified Information Systems Auditor
- Information Systems Audit and Control Association
- Institute of Internal Auditors



Michele Schaeffer  
Data Analytics Specialist

mnschaeffer@cricpa.com

**Representative Clients**

- **Flagler County, Florida**
- **Clay County, Florida**
- **Putnam County, Florida**
- **St. Johns County Florida**
- **Duval County/City of Jacksonville**
- **Alachua County, Florida**
- **Dixie County, Florida**
- **Levy County, Florida**
- **Gilchrist County, Florida**
- **Town of Long Boat Key, Florida**
- **City of New Port Richey, Florida**
- **City of Gulfport, Florida**
- **City of Treasure Island, Florida**
- **City of Largo, Florida**
- **City of Oldsmar, Florida**
- **Life South Community Blood Center**

**Experience**

Michele is a certified data analyst with over 10 years of experience in supporting financial statement risk based audits through the use of data analytics. She assists both internal and external audit teams in addressing SAS-99 requirements as well as coordinating efforts to provide more effective and efficient audits through the incorporation of technology into audit scoping and detail testing. She provides ACL training and on-going support to individuals throughout various functions as well as leads and assists in project scoping, planning, execution and documentation of complex data analytics, in accordance with accounting standards.

Michele has designed technical programs using ACL to automate internal audit testing including SOX and IT audit. She has provided training to large organizations and companies as well as participated in presenting to various groups in Florida, Chicago and Indianapolis.

**Education, Licenses & Certifications**

- BSBA, Decision and Information Sciences, University of Florida
- Certified ACL Data Analyst
- Certified Information Systems Auditor

**Professional Affiliations**

- Institute of Internal Auditors ACL Users Group, Florida West Coast Chapter



Bret T. Stone  
Audit Manager

bstone@cricpa.com

**Representative Clients**

- **Flagler County**
- **Baker County**
- **St. Johns County**
- **Duval County/City of Jacksonville**
- **Town of Callahan**
- **Jewish Family & Community Services**
- **Pace Center for Girls**
- **First Coast Workforce Development Board**
- **Northeast Regional Council**
- **Rodeheaver Foundation**
- **D3 Air & Space Operations**
- **Direct Sales Unlimited, Inc.**
- **Gainesville Ice Company**
- **Reliable Rail Services, Inc.**

**Experience**

Bret has been with Carr, Riggs & Ingram since he relocated from New Jersey to Florida in January 2012. He has more than 14 years of experience in public accounting. As a member of the audit and tax departments, Bret performs a variety of services for an array of client groups. Those client groups include multi-state corporations, construction companies, not-for-profit organizations, governmental entities, and employee benefit plans.

Bret began his public accounting career in November 2001 as a junior accountant at a regional firm in New Jersey. He worked his way up the ranks to management before leaving the firm at the end of 2011 to return to Florida, where he attended college. His responsibilities were diverse including business and individual tax engagements, employee benefit plan audits, and he served as co-chair of the firm's marketing committee.

Bret is currently the Treasurer of the Advisory Board to Big Brothers Big Sisters of St. Johns County. He is also active in the St. Johns County Chamber of Commerce.

**Education, Licenses, & Certifications**

- BS, Accounting, Florida State University
- Certified Public Accountant (NJ)

**Professional Affiliations**

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

**Recent Continuing Education**

- Governmental A&A Update
- Federal Tax Update
- Q&A Panel: Gov/Single Audit
- GASB & Yellow Book Update
- Not-for-Profit Update
- FASB Update
- A-133 Single Audits

## YOUR SOLUTION TEAM



Jordan Fritz  
Supervising Senior

[jfritz@cricpa.com](mailto:jfritz@cricpa.com)

### Representative Clients

- St. Johns County
- Flagler County
- Clay County
- Duval County/ City of Jacksonville
- Palatka Gas Authority
- River Park Utilities
- First Coast Workforce

### Experience

Jordan has three years' experience in the auditing field, and joined Carr, Riggs & Ingram, LLC in August, 2015. He has experience on the audit engagements of non-profit organizations, county government, and municipalities. His responsibilities have included single audit compliance testing, internal controls testing, developing substantive and analytical audit strategies, and preparing financial statements.

### Education

BA, Accounting, Wilmington College



## YOUR SOLUTION TEAM



Charles Taverna  
Audit Senior

ctaverna@@cricpa.com

### Representative Clients

- Duval County/City of Jacksonville
- Daniel Memorial Inc.
- I.M. Sulzbacher Center for the Homeless, Inc.
- Clara White Mission, Inc.
- St. Paul's By The Sea Episcopal Church
- Evergreen Cemetery Association
- Jacksonville Country Day School

### Experience

Charles Taverna is a Senior Auditor in the Jacksonville office of CRI. He relocated to Florida and joined the firm in June of 2016, after 3 years of public accounting experience in New York City. His responsibilities include performing single audit compliance testing, testing internal controls, conducting substantive and analytical audit procedures, and preparing financial statements.

Charles has a wide range of experience in accounting, tax, and auditing. He began his public accounting career in Manhattan, New York, where he worked on not-for-profit and broker-dealer audit clients as well as international tax clients. Since then, he has worked extensively with various clients including employee benefit plans, governmental entities, private corporations, and continues to work with not-for-profit organizations.

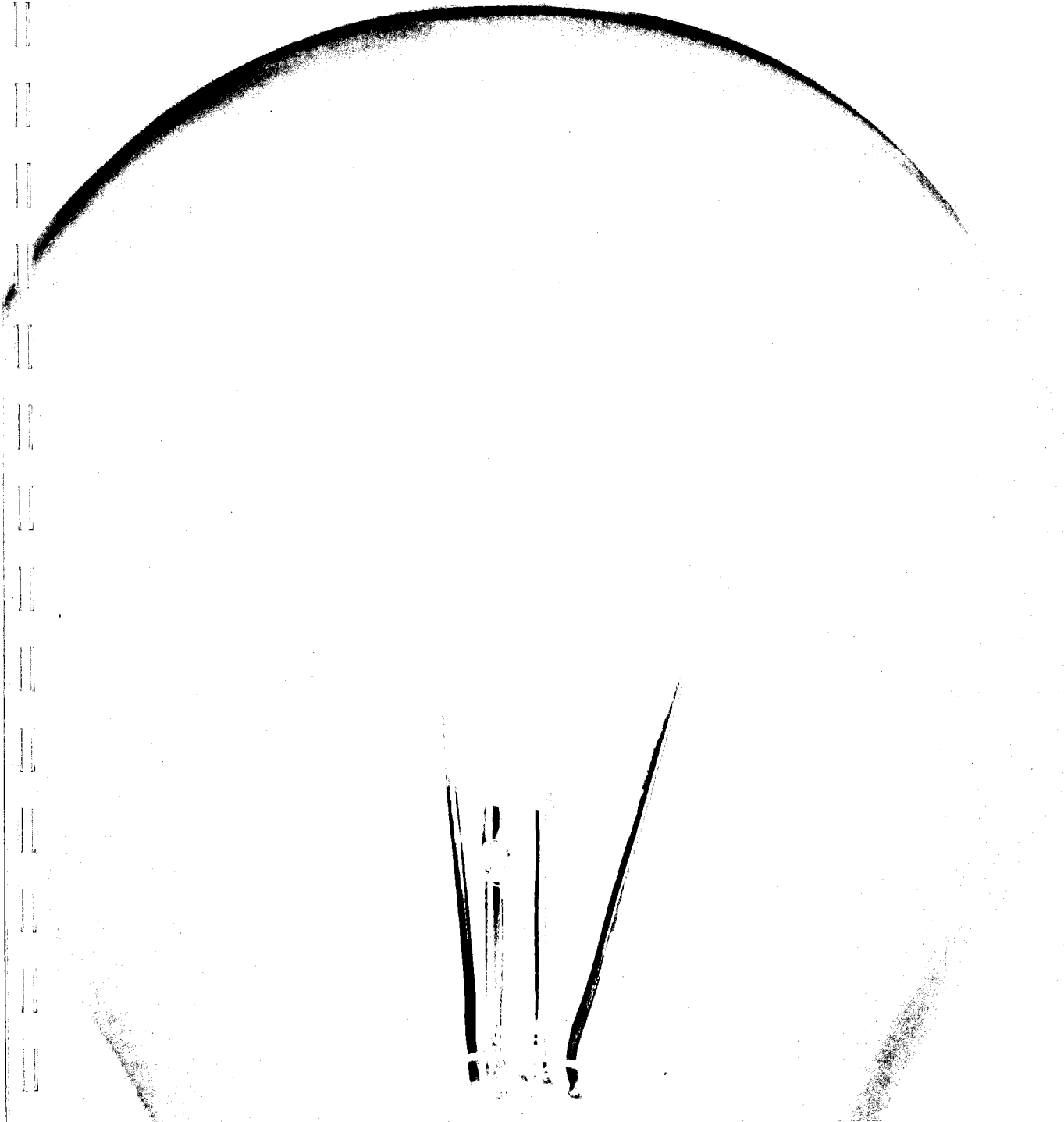
### Education, Licenses & Certifications

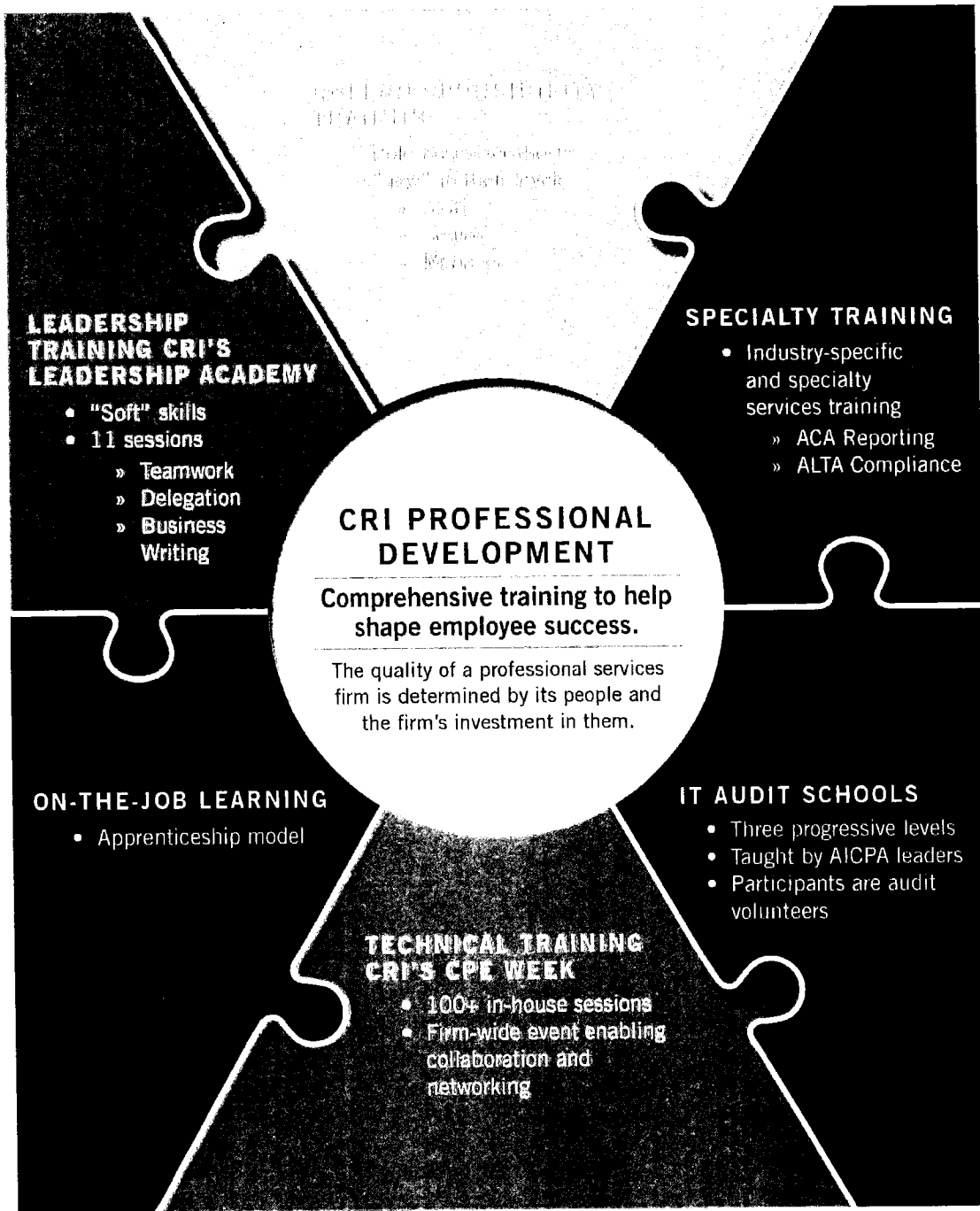
- BA, Rutgers, The State University of New Jersey – New Brunswick
- MBA, Rutgers, The State University of New Jersey  
Rutgers Business School
- Certified Public Accountant

### Professional Affiliations

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

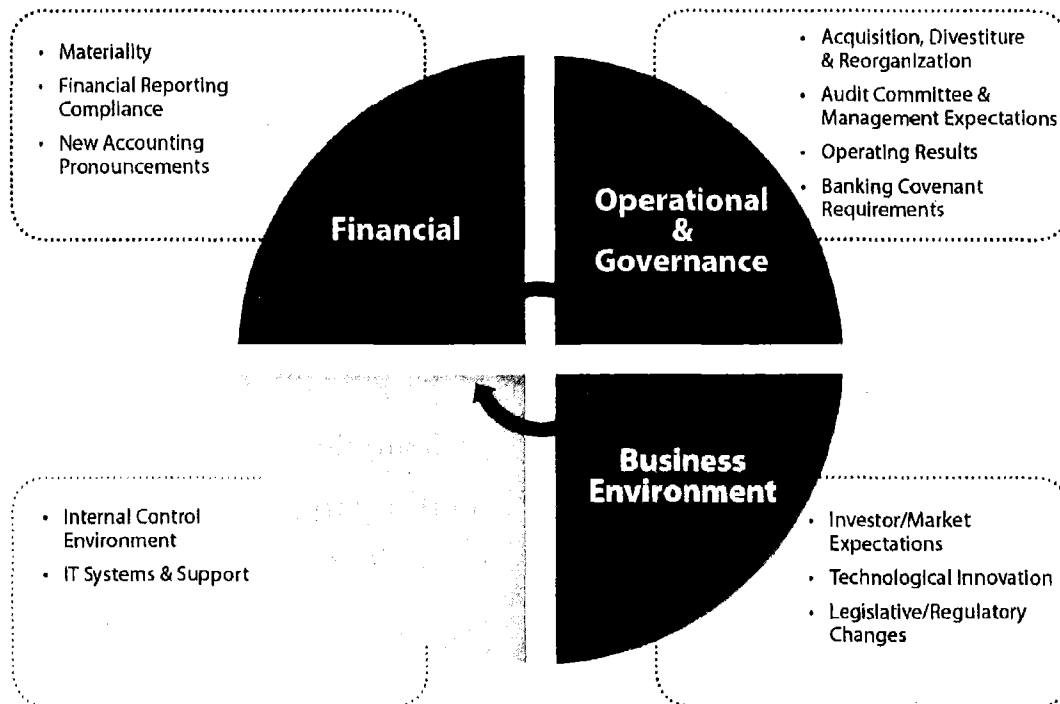
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## AUDIT FRAMEWORK

We assess risks in the following areas:



Our ultimate intent is to drill down from these broad risks to specific financial reporting risks. We understand both these risks and management's processes and procedures for mitigating them (i.e. internal controls) in order to develop our procedures to carry out our audit responsibilities.

Although our audits are conducted through a structured, risk-based model, we focus on understanding the client's needs, requirements and expectations. We work collaboratively with management and the Commission to develop a communication and work plan to continuously improve client service, by doing so we help in moving your team from simple **compliance** to providing you with **fiscal accountability and stewardship**.

In planning, we concentrate on "key risks," (items with a greater risk of a material misstatement, a material weakness in internal controls or other matters resulting in the issuance of an inappropriate audit report). We focus on "material" items (i.e. those items that would be important to the user of your financial statements). When evaluating materiality of identified misstatements, certain quantitative and qualitative factors must be considered—which may include:

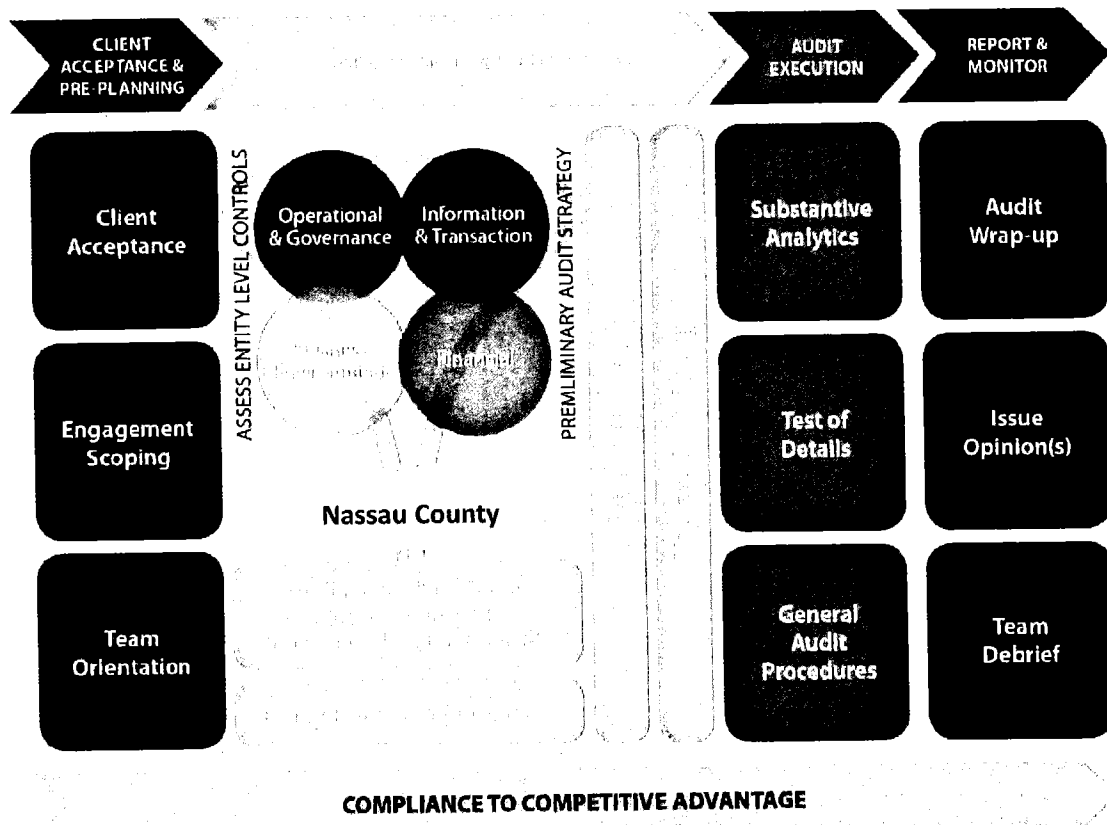
- Impact on operating trends (revenue/income, expenses, net income, etc.).
- Nature of the misstatement (i.e., did the misstatement result from an unlawful transaction?).
- Impact on liquidity, capital/surplus, earnings capacity, etc.
- Impact to loan covenants and contractual and regulatory requirements.

# AUDIT FRAMEWORK

Consistent communication is a key to completion of the audit. **By ensuring constant involvement, we are in a better position to respond to your issues timely and efficiently. Therefore, we plan to meet with your Finance Director and his team prior to beginning the audit in order to:**

- Understand and map Nassau County's internal controls, financial information (financial statements and notes) and significant processes and IT systems to ensure that all significant account balances, transactions, procedures, and systems are tested as deemed necessary. In addition we will outline a mutually agreeable time schedule for the entire process.
- Discuss ongoing changes—specifically new accounting pronouncements and key business transactions in their early stages, enabling us to agree on the resolution of various complex business issues on a timely basis.
- We will have an exit conference with your Finance Director, County Manager and each Constitutional Officer to discuss any internal control or management comments we might have and to go over the financial statements and footnotes. This ensures the final product is accurate and that management has an opportunity to discuss all issues with the partner on the engagement.

Our audit approach is a four-stage approach, as depicted in the summary below. Our client acceptance and risk assessment procedures (as noted on the previous page) occur during detailed conversations and observations with your team. The results of those procedures allow us to tailor an audit program to your specific risks and needs. We then execute the audit, report the results, and evaluate continuous improvement opportunities for ongoing service and benefit to you.



## AUDIT FRAMEWORK

### Stage 1: Client Acceptance & Pre-planning

- Perform client acceptance procedures where necessary.
- Collaborate with management to agree to expectations and scope.
- Assign appropriate staff to engagement based on client needs and assessed risk.

Interview client personnel and others, as necessary to understand client-specific objectives and risks.

Assess environmental and other external risks and potential impact on the audit planning.

Assess entity level controls including: control environment, risk assessment, information & communication, and monitoring controls.

Assess management's fraud and IT risk assessment models. Develop independent fraud and IT risk assessment.

Assess IT General Computer (ITGC) controls, such as IT Environment, Developing & Delivering IT, and Operating IT & Monitoring IT.

Assess materiality.

Perform preliminary analytical procedures.

Map financial statements to significant transactions, processes, IT systems and related controls.

Develop understanding of significant processes and related controls.

Determine existence of/reliance on SSAE 16 (formerly SAS 70(s)).

Test controls including ITGC, as and if deemed appropriate. Tests will include a mix of:

- inquiry,
- observation,
- examination and
- re-performance.

Determine reliance on Internal Audit, if applicable (e.g. controls or detailed tests).

Determine reliance on specialist(s), if applicable (e.g. valuations, pension costs, etc.).

Finalize risk assessments and develop final audit strategy.

### Stage 3: Audit Execution

- Where possible, develop detailed analytical procedures to use as substantive tests to reduce tests of details. Examples include:
  - ratio analysis,
  - regression analysis,
  - trend analysis,
  - predictive tests or
  - reasonableness tests.
- Where possible utilize Computer-Assisted Audit Techniques (CAATs), such as IDEA or ACL to automate testing for more coverage and less disruption to the client.
- Where possible, perform targeted testing (also known as "coverage" testing) of account balances to tests large portions of account balances.
- Perform tests of details, including sampling, if applicable or necessary.
- Perform general audit procedures, as and if applicable, such as tests related to:
  - commitments and contingencies,
  - legal letters,
  - management representations,
  - reviews of Board minutes,
  - related party transactions,
  - debt covenants and
  - going concern.
- Perform other tests for compliance such as Yellow Book or Single Audit Tests.

### Stage 4: Report & Monitor

- Continually monitor the audit and provide feedback as agreed during scoping or more frequently, as deemed appropriate.
- Conclude the audit (i.e. issue opinions and/or reports).
- Develop and present required communications, including management letter comments.
- Perform an internal team de-briefing to identify areas for improvement.
- Welcome the opportunity for an external de-briefing with our clients to improve.

## PROPOSED AUDIT STRATEGY

GAAP provides a conceptual framework for accounting, financial reporting, and disclosure. Your application of GAAP varies depending on your facts and circumstances—and interpretations.

Our general audit approach as described above is tailored to address the nature and inherent risk of each area. For significant areas, we will:

- Meet with management to gain an understanding of management’s processes and controls.
- Assess and test such controls, as necessary.
- Perform substantive analytical audit procedures and tests of details, as appropriate.

In certain complex areas, we may use functional specialists (e.g. information technology [IT], valuation of investments, and review of actuarial assumptions and calculations) to assist in the evaluation of complicated transactions and judgmental account balances. Additionally, we will review the financial statement disclosures and evaluate the overall transparency of the County’s financial reporting.

Taking into account various items related to the County such as—but not limited to—industry expertise, knowledge of your organization, preliminary risk assessments, materiality, and the judgmental nature of the accounts, we have outlined below the key areas of audit focus and our proposed strategy.

PROPOSED AUDIT STRATEGY						
Significant Areas	Level of Risk	Test of Controls	Substantive Procedures			Notes
			Analytics	Test of Details	Use of CAATs	
Fraud risks	Medium	✓	✓	✓	✓	- Will meet AICPA requirements of fraud testing. - Fraud is considered an intentional act that results in a material misstatement of the financial statements. - We will gather information to identify risks of material misstatement due to fraud, and evaluate processes that address fraud.
Financial reporting	Medium	✓	✓	✓	✓	- Period-end financial reporting is critical; financial reporting compiles/reconciles detailed information from underlying processes and systems.
Other estimates and contingencies	Medium	✓	✓	✓		- Compensated absences – we will perform tests of details and substantive analytics to substantiate accuracy of account balance.
Manual journal entries	Medium	✓		✓	✓	- Manual journal entries are risky.
County level controls	Medium	✓	✓	✓	✓	- We will gain an understanding of the control environment, risk assessment, monitoring, information and communication channels to determine the nature, timing, and extent of reliance on and tests of controls; we use all of the above to build the audit approach. - Our goal is to leverage management’s processes to the degree possible, which increases efficiency.
IT systems	High	✓	✓	✓	✓	- Underlying financial and operational systems supporting the key business cycles play a critical role in the ability to generate and compile complete and accurate financial data. - The IT security, computer operations and program change controls for financially significant applications are vital.

## PROPOSED AUDIT STRATEGY

<b>PROPOSED AUDIT STRATEGY</b>						
Significant Areas	Level of Risk	Substantive Procedures				Notes
		Test of Controls	Analytics	Test of Details	Use of CAATs	
Capital assets and related expenditures	Medium	✓	✓	✓	✓	- Capital assets are significant due to the account balance and susceptibility to misappropriation.
Accounts payable and related expenditures	Medium	✓	✓	✓	✓	- Accounts payable are significant due to the account balance and number of transactions impacting accounts payable and the related expense accounts.
Payroll, related liabilities and payroll expenditures	Medium	✓	✓	✓	✓	- Payroll liability accounts and related expenditures are significant due to the account balance and payroll expenditures comprise a significant portion of the County's expenditures.
Long-term debt / debt covenants	High	✓	✓	✓		- Debt may be significant due to the size of account balance and covenants associated with debt. - We will perform tests of compliance through substantive analytics and confirmation of certain data with creditors and other third-parties.
Revenue recognition	High	✓	✓	✓	✓	- We will test revenue systems and processes and perform a combination of substantive analytical procedures and tests of details to test this area.
Cash and cash equivalents	Low	✓		✓		- Cash is significant because of the large account balance and number of transactions impacting account.
Accounts receivable	High	✓	✓	✓	✓	- Accounts receivable are significant due to the account balance, number of transactions and issues related to estimates associated with the allowance for doubtful accounts.



## PROPOSED AUDIT TIMING

The following graphs depict the timing and key elements of our typical audit process.

TIMING OF AUDIT PROCEDURES												
PHASE	2017						2018					
	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
<b>Client Acceptance &amp; Pre-Planning</b>												
Appointment of audit firm												
Ongoing consultation on major issues and developments												
Meet with management to discuss business risks and scope, as well as income tax planning												
Hold CRI engagement team planning meetings												
<b>Risk Assessment &amp; Audit Strategy</b>												
Gain understanding of significant processes and key controls												
Perform testing of key controls to reduce substantive testing												
Determine nature, timing and extent of substantive procedures												
Perform selected substantive procedures as of interim date												
Finalize and communicate plan to management/governance												
<b>Audit Execution</b>												
Conduct remaining substantive tests based on the results of audit procedures performed to date												
Discuss results of audit work with management												
<b>Report &amp; Monitor</b>												
Review annual report												
Meet with management/governance to discuss results of audit procedures												
Issue audited financial statements and related single audit and other reports												

## AUDIT APPROACH

CRI expressly agrees to meet or exceed the performance specifications stated in the Request for Proposal. The following is an outline of our work plan, including information required by the RFP on our audit approach.

### **CLIENT ACCEPTANCE & PRE-PLANNING**

Substantial amounts of the partners' and manager's time are devoted to the first two segments of the engagement. Our planning process leads to the development of our audit strategy, which in turn encompasses decisions concerning the nature, timing and extent of our audit procedures. Planning helps the engagement team make the most effective use of available manpower and is essential in maximizing audit efficiency. Planning actually goes on continuously throughout the audit, although, the term "planning" is usually used to signify those steps which lead up to the requirements of the principal auditing procedures.

#### *Preparatory Work*

Preparatory work is necessary before an audit begins. In the early stages of planning, a meeting is held by the Engagement Partner to make such arrangements as are necessary for the conduct of the engagement and to assist in gaining an understanding of the County's internal accounting procedures.

### **RISK ASSESSMENT & AUDIT STRATEGY**

#### *Determining Our Audit Strategy*

It is in this phase of planning that we obtain our understanding of and document the County's internal accounting procedures. This area of planning will be performed primarily by the Engagement Partner and Supervising Senior.

We obtain and read the County's most recent organizational chart, County Commission meeting minutes for the fiscal year, the current budget document and amendments, as applicable, and any updates to the County's policies and procedures manuals. We will also read reports of governmental or regulatory auditors, if any, as they pertain to governmental funds. We give consideration to the manner in which the County's data processing system influences its accounting control objectives and the possible effects of such matters on the nature, timing and extent of our audit procedures. We then evaluate the environmental factors that might influence the following:

- The probability of material financial statement misstatements.
- The nature, timing and extent of substantive procedures.

At this point, we consider the following:

- Sensitive areas, which could lead to, increased audit risks
- Design of procedures to search for and identify significant related parties, unusual transactions, and material fraud or illegal acts
- Key audit areas
- Anticipated reliance on internal accounting and administrative controls
- Dollar amounts of materiality
- Audit areas to be tested using statistical sampling

Based on the preceding planning, the Engagement Partner and Supervising Senior work together to assemble and prepare the engagement audit work plan and communicate that audit work plan to the engagement team as well as County personnel.

## AUDIT APPROACH

### AUDIT EXECUTION

The third segment of our Audit Life Cycle will be the testing or "fieldwork" phase. Fieldwork will commence immediately after presentation of the audit plan. The bulk of this work is performed by the supervising manager and senior under the overall supervision of the Engagement Partner. The manager and senior field all questions from the staff and answer or direct the relevant questions to appropriate client personnel.

Our testing will consist of primarily substantive tests to provide evidence as to the completeness, accuracy or validity of the information contained in the financial statements. Our procedures include the use of detailed items for both financial and compliance assertions. Our approach to these tests is described below.

#### *Audit Methodology*

Our audit documentation is maintained electronically. Compliance with our methodology is regularly reviewed and evaluated as part of our internal quality program. Comprehensive policies and procedures governing all of our practices and addressing professional and regulatory standards and implementation issues are constantly updated for new professional developments and emerging issues.

#### *Early Implementation*

CRI does not have an established "policy" on early implementation of new generally accepted accounting principles (GAAP). We have historically worked with our clients to determine their wishes related to new pronouncements. If the benefit of early implementation is greater than the cost to implement, and if it is not prohibited by the new accounting standards themselves, we will work to assist in early implementation.

We understand that GAAP provides for accounting alternatives in a variety of situations and we work with clients on the best method of accounting for certain transactions. In instances where a question of GAAP implementation arises between County staff and the audit team, we will work to resolve the issue. Specifically, we will have the partner meet with your team to discuss the issue, with all related facts and circumstances disclosed as well as the authoritative guidance provided by the Governmental Accounting Standards Board. Although we do not anticipate being unable to resolve these issues with County management, if necessary we would initiate discussions between the partner and the County's governing body.

### REPORTING & MONITORING

The last segment of the Audit Life Cycle is the reporting phase. At this point, our main concern will be focused on the fair presentation of the final amounts and information appearing in your report. This phase effectively utilizes all levels of staff as audit staff and senior staff in the field is primarily responsible for gathering the basic data for reporting, and the Manager, Engagement Partner and Engagement Concurring Partner are responsible for the proper presentation and disclosure of that information in the financial statements. We will also prepare special reports including a schedule of findings and other benchmarking reports, as requested by the County. These are begun at the audit staff and senior level and are reviewed by the Audit Manager, Engagement Partner and Concurring Partner.

Specifically in the reporting phase, we focus on internal control findings noted in the system evaluation and testing phase of the engagement and other matters brought to our attention during the substantive testing phase of the engagement.

# AUDIT APPROACH

## PROPOSED SEGMENTATION AND TIMING OF THE ENGAGEMENT

We will segment the engagement by assigning each of the elements of the annual work plan to the audit team member that has the most expertise in the particular area and based on the risk assessed for each area. The Supervising Senior, Engagement Partner and Concurring Partner will plan the engagement based on the risk assessment audit standards using such information as the County's budget, organizational chart and other information derived from the County's information systems. The Engagement Partner will then determine the staffing needs and assign the appropriate number of hours to the supervisor, seniors and audit associate. All work will be reviewed and approved by the Engagement Partner and the Concurring Partner before delivering required reports to the County.

## SAMPLE SIZE METHODOLOGY

We anticipate the use of sampling during the performance of audit procedures for the County. However, whether sampling is appropriate depends on the defined objective of any given portion of the audit, the nature of the test that best achieves that objective and the degree of assurance from the test.

The sample selection would be developed using a combination of the Firm's Sampling Plan and Microsoft Excel.

CRI's Sampling Plan is a comprehensive and systematic plan, which focuses directly on the assessment of audit risk and integrates statistical theory with the use of audit judgment. Since our firm uses dual-purpose testing (tests of controls and substantive tests), the sample sizes may be larger than those for single-purpose tests. Sample sizes typically range from a low of 15 transactions to a high of 60 transactions based on the quantitative decisions made.

## EXTENT OF USE OF EDP SOFTWARE

We will make use of the latest audit technologies and techniques in the performance of your audit. We utilize a paperless computer audit software program (ProSystems Engagement) and a number of standard applications such as Adobe Acrobat and Microsoft Excel and Word. All of our auditors are equipped with laptop computers and are well-trained in the use of our computer software applications. In addition, if determined to be advantageous as part of our planning procedures, we can also make use of certain data analysis software, such as IDEA and Active Data to quickly and accurately import, analyze, sample and extract financial accounting information.

## TYPE AND EXTENT OF ANALYTICAL PROCEDURES

Analytical review procedures will be used in planning the nature, timing and extent of most audit procedures performed by CRI. Examples of analytical procedures used include comparisons to prior year balances and amounts as well as comparisons to current year budgets. Likewise, they will be used on an overall basis to test the results of the procedures we perform.

Throughout the audit, we will use analytical procedures such as historical trend comparisons, and prior-year actual to current-year actual comparisons on selected, related groups of accounts. These are invaluable audit procedures that assist us in streamlining our audit work while "zeroing" in on major issues for management's consideration. Thus, this approach provides advantages for both the County as well as the auditors.

All workpapers have a detailed review performed by either the Supervising Senior or Partners, whichever is appropriate.

# AUDIT APPROACH

## APPROACH TO UNDERSTANDING INTERNAL CONTROL STRUCTURE

Our understanding of the internal control structure will include the following:

- Obtaining an understanding of the County's control environment, risk assessments, control activities, information and communication and monitoring systems as they relate to operations.
- This understanding is obtained through review of the existing policies and procedures, flowcharts, inquiries of personnel, inspection of documents and records, and observation of the activities and operations. This understanding would include accounting and administrative controls in place to ensure that the County complies with applicable laws and regulations and internal accounting policies and procedures.
- Documenting that understanding by summarizing key internal controls that we intend to place reliance on for substantive testing
- Utilizing a transactional walk-through to determine whether a policy or procedure has been placed in operation.
- Assessing control risk by evaluating the effectiveness of the County's internal control structure policies and procedures in preventing or detecting material misstatements in the financial statements.
- Reviewing internal control structure policies and procedures relevant to specific assertions that are likely to prevent or detect material misstatements in those assertions.
- Performing dual tests of controls and transactions (accounting and administrative) to evaluate the effectiveness of such policies and procedures.

## LAWS & REGULATIONS TESTING

The County's compliance with governing laws, regulations, rules and other finance-related legal requirements is the responsibility of the County's management. As part of our audit of the financial statements, we will perform tests of compliance with certain provisions of laws, regulations, rules and other finance-related legal requirements. It is up to the auditor the extent of tests in this area. We will combine our knowledge of governmental entities to develop a customized program that is designed to test compliance. It is important to note that the independent auditor's role in compliance auditing is one of the most significant environmental differences between governmental and private sector auditing.

The objectives of our substantive tests of legal compliance follow:

- To determine material events of noncompliance.
- To provide a basis for reporting on the County's compliance with such laws and regulations.
- To bring to the County's attention any noncompliance issues that, if left undetected, could be embarrassing to the County.

## AUDIT SAMPLES FOR TESTS OF COMPLIANCE

When drawing audit samples for tests of compliance, we generally select a certain number of transactions based on the client's activity level and our professional judgment. These transactions are picked randomly from a total population.

## APPROACH IN REVIEWING EDP SYSTEMS

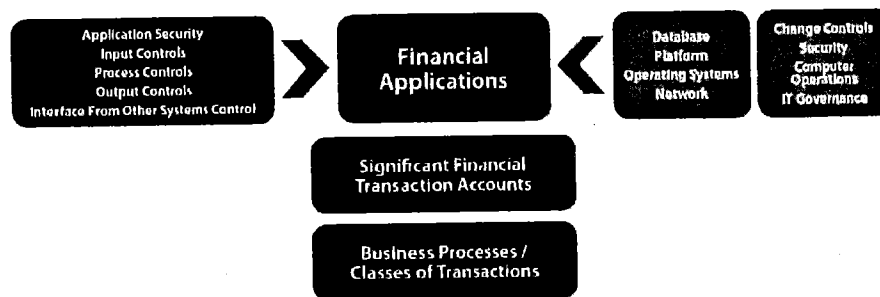
To fully understand the County's finances, we must audit the computer system as follows:

- Developing an overall understanding of the data processing function.
- Ensuring the proper development and implementation of applications.
- Ensuring the integrity of program and data files.
- Ensuring the completeness and accuracy of the accounting records.
- Ensuring the integrity of computer operations.

## AUDIT APPROACH

In today's IT-centric world, understanding the manual process and supporting systems (i.e. how the numbers come together) underlying internal controls over financial reporting (ICFR) is increasingly important. External information systems threats from hackers—coupled with internal transaction errors and fraud—require the implementation, testing and improvement of strong IT controls. CRI's dedicated IT audit and assurance team has adopted an integrated audit approach that includes a review of relevant IT systems with input into the financial reporting process. We complete a review of IT policies and procedures and conduct "hands-on" testing against best practices and appropriate regulations, yielding financial audit effectiveness including uncovering IT deficiencies.

### IT Components in the Audit



Our integrated audit approach includes review and testing of both IT general controls and financial application controls related to ICFR including:

- Security—Physical and Access Controls,
- Change Management for Systems and Configurations,
- Application/System Development and Customization,
- IT Risk Management,
- Data Backup and Recovery/Business Continuity Plans,
- Electronic Banking Wire and ACH Security, and
- Segregation of Duties within Systems and IT function.

Additionally, CRI's data analytics and data mining expertise and computer-aided audit tools (CAATs) allow us to perform procedures on entire populations of system transactions, which allow us to develop a focused set of methodical analyses for your data.

These services are performed by a member of our team who serves as a well-known speaker on IT audit, security, risk assessment and other related topics. Our leaders have developed an IT audit approach that is the basis for the AICPA's IT Audit Training School (beginner and advanced), which they have taught for the past several years. Additionally, our IT audit professionals maintain certifications and credentials including Certified Information Systems Auditor (CISA), Certified Information Systems Security Professional (CISSP), Certified Information Technology Professional (CITP) and other IT certifications requiring regular annual CPE hours. Finally—and maybe most importantly—our auditors not only have the required technical expertise,

## AUDIT APPROACH

but also the unique ability to communicate IT topics in a manner easily understood by non-technical personnel. This capability is critical when reporting to both management and Board members.

As part of the Management Letter, we will report, if appropriate, specific comments in the above areas for the County's computer systems, overall conditions of internal control in the computer environment, and any significant weakness in internal control in data processing.

### AUDIT METHODOLOGY

Our audit, tax, consulting and client accounting services documentation is maintained electronically. Compliance with our methodology is regularly reviewed and evaluated as part of our internal quality program, which is further discussed in the firm profile section under INTERNAL QUALITY CONTROL REVIEWS AND EXTERNAL REVIEWS. Comprehensive policies and procedures governing all of our practices and addressing professional and regulatory standards and implementation issues are constantly updated for new professional developments and emerging issues.

### ENGAGEMENT QUALITY REVIEW PARTNER

Each audit has an assigned engagement quality review (EQR) partner with the appropriate experience. This role is one of the most important elements of our quality assurance process, as it provides for a timely, independent review of all key accounting and auditing issues. The EQR partner also reviews the financial statements and related supporting documentation—including the disclosures—to evaluate their fair presentation under accounting principles generally accepted in the United States of America (GAAP).

### UNDERSTANDING APPLICABLE LAWS AND REGULATIONS

As part of our compliance work, we will perform specific procedures to test compliance with federal, state and local laws and regulations. Because of the extent of our team's experience, we are familiar with requirements specific to counties in Florida. Further we will review federal and state monitoring reports received by the County, communicate with the cognizant agency and confirm with the EEOC regarding any violations. We will review and perform all procedures prescribed in OMB's Compliance Supplement related to expenditures of federal funding.

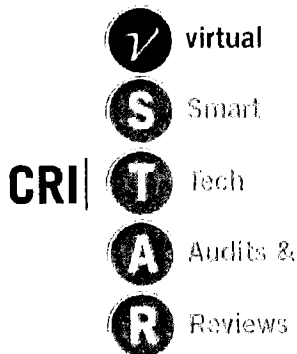
### IDENTIFICATION OF POTENTIAL AUDIT PROBLEMS

The most significant new requirement will be the implementation of GASB Statement No. 68 on pension reporting. We will work closely with the County and the finance department and County's actuary to assure proper implementation of the reporting and disclosure requirements. We do not expect any significant audit problems due to our extensive experience in auditing Florida counties. If an issue should arise, we have multiple resources from which to draw to assure a timely appropriate resolution.

### TIMELINE

We are committed to meeting all time requirements included in your Request for Proposal.

## CRI SMART TECH AUDITS & REVIEWS (vSTAR)



The CRI virtual Smart Tech Audits & Reviews (vSTAR)<sup>™</sup> process combines minimal hardware, collaborative software, and cameras to allow us to perform all or part of our audit engagement virtually and in real time. This is neither a "remote audit" nor a "desk review," both of which often involve electronic file transfers and little interaction with management. Instead, using the CRI vSTAR<sup>™</sup> tools, the virtual audit includes dialogue with process owners virtually, captures and shares information electronically, and integrates technology seamlessly. We also offer the possibility of performing a hybrid audit, whereby we reduce our on-site presence by supplementing it with the virtual resources available through the CRI vSTAR<sup>™</sup> process. Our goal is to provide you with the same high-

quality audit services through more focused planning, with reduced distraction, and at a more cost-effective price point. The CRI vSTAR<sup>™</sup> process provides you with more access to our specialists involved in your audit – regardless of your location.

### REASONS TO CHOOSE CRI'S VIRTUAL SMART TECH AUDITS & REVIEWS

- # 1

**INCREASES TIME EFFICIENCIES**  
Efficiently scheduled procedures and testing reduce the time your team is "on hold." Technology effectively serves clients with multiple locations and/or remote employees.
- # 2

**REDUCES TRAVEL COSTS**  
Virtually performed procedures minimize travel costs.
- # 3

**ENHANCES SPECIALIST INTERACTION**  
Enjoy access to industry and service specialists, regardless of location, with minimal scheduling and no travel.
- # 4

**MINIMIZES CLIENT TRAINING CRI STAFF**  
CRI staff members can access prior years' virtual audit recordings for training.
- # 5

**EASES EVIDENCE GATHERING BURDEN**  
Evidence (e.g. screen shots) from walk-throughs and other procedures are captured, mitigating your "homework."



## INFORMATION TECHNOLOGY IN THE AUDIT PROCESS

Understanding the significance of Information Technology in the audit process, CRI maintains an IT Audit and Assurance Group as a "Service Line Practice" of the firm. The group is currently staffed with highly skilled and experienced personnel. Our IT audit professionals maintain and currently hold, Certified Information Systems Auditor, Certified Information Systems Security Professional credentials and other IT certifications requiring regular annual CPE hours.

Information systems have become a favorite target for thieves and hackers primarily because of large payrolls, vendor payments, and the use of electronic payment transactions such as ACH and wire transfers. These threats require sound IT controls be implemented, tested and improved constantly. In addition to external risks, IT controls often provide protection from internal transaction errors and fraud. CRI has adopted an integrated audit approach to provide a thorough review of IT controls, testing and where needed, recommendations to improve these controls.

CRI's integrated audit approach includes a review of all IT systems that have input to the financial reporting process as part of our IT general controls (ITGC testing). We complete a review of IT policies and procedures and conduct significant "hands on" testing of IT general controls against best practices and appropriate regulations. This approach yields efficiencies from a financial audit perspective and often results in recommendations to implement or improve IT controls.

Our auditors have the technical expertise required, and the unique ability to communicate technical issues and control deficiencies in a manner easily understood by non-technical personnel. This aspect is critical when reporting to management and board members IT control deficiencies. This is our most complimented attributes by clients.

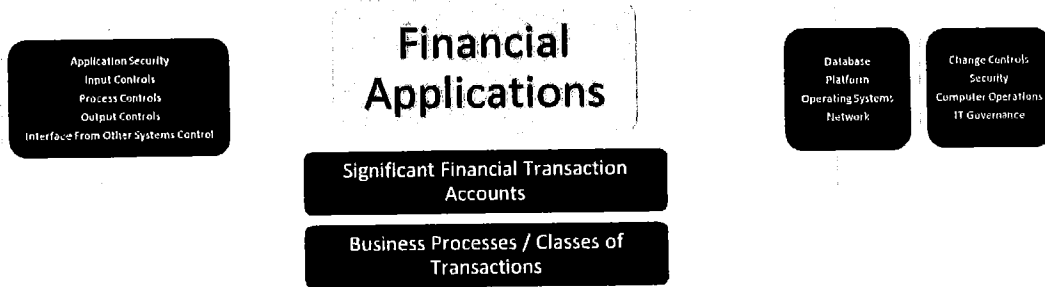
CRI's extensive IT audit experience in large ERP systems makes us uniquely qualified in providing audit services to governmental entities. Over the last 5 years we have conducted IT audits for SAP, Mainframe, AS400, UNIX, PeopleSoft, TERMS, JD Edwards, Lawson, Hyperion, SunGard, and HTE.

CRI's integrated audit approach includes review and testing of IT general controls and financial application controls related to the internal controls over financial reporting including:

- Access Controls and Security
- Physical Security
- System Change and Configuration Management
- System Development and Customization
- IT Risk Management
- Data Backup and Recovery
- Electronic Banking Wire and ACH Security and Segregation
- Segregation of Duties Within the System

Data analysis is a critical component of our audit approach. CRI's data analytics expertise and computer aided audit tools (CAAT) allows us to complete audit procedures using entire populations of system transactions for accounts payable, accounts receivable, payroll, purchasing, general ledger, journal entries, and fixed assets providing a focused set of analytic analysis and results for the audit.

# INFORMATION TECHNOLOGY IN THE AUDIT PROCESS



## City and County Government IT Audit Experience

- City of Tallahassee Fl.
- City of Largo Fl.
- City of Long Boat Key Fl.
- City of New Port Richey Fl.
- City of Port Orange Fl.
- City of Edgewater Fl.
- City of Gulf Breeze Fl.
- City of Marianna Fl.
- Alachua County Fl.
- Calhoun County Fl.
- Jefferson County Fl.
- Holmes County
- City of Ozark Al.
- City of Troy Al.
- City of Enterprise Al.
- Geneva City Water and Sewer Al

## Application Controls Review

Application controls apply to the processing of individual accounting applications and help ensure the completeness and accuracy of transaction processing, authorization, and validity. Types of application controls include:

- Data Capture Controls – ensures that all transactions are recorded in the application system, transactions are recorded only once, and rejected transactions are identified, controlled, corrected, and reentered into the system.
- Data Validation Controls – ensures that all transactions are properly valued.
- Processing Controls – ensures the proper processing of transactions.
- Output Controls – ensures that computer output is not distributed or displayed to unauthorized users.
- Error Controls – ensures that errors are corrected and resubmitted to the application system at the correct point in processing.

We take a risk based approach to application review and testing. Application controls may be compromised by the following application risks:

- Weak security
- Unauthorized access to data and unauthorized remote access

## INFORMATION TECHNOLOGY IN THE AUDIT PROCESS

- Inaccurate information and erroneous or falsified data input
- Misuse by authorized end users
- Incomplete processing and/or duplicate transactions
- Untimely processing
- Communication system failure
- Inadequate training and support

Review of spreadsheet controls consist of:

- Critical spreadsheet inventory identification
- Version control of spreadsheets
- Backup and recovery
- Improper transmission through e-mail

### Use of Computer Aided Audit Tools (CAAT)

We have the ability to review very large data sets directly from the financial applications such as:

- SAP
- PeopleSoft
- AS400
- dBase
- Lotus
- Microsoft Access
- Microsoft Excel
- ODBC connections
- Print file or PDF (not scanned-must be original PDF)
- Text (csv)
- XML

Types of CAAT Tests that can be completed:

#### *Accounts Payable*

Possible Tests to perform (if data is available)

- Payment Profiles –Stratification
- High or Unusual Payments (provide criteria)
- Unusual Transactions
  - Payments to "CASH"
  - Round Sum Payments
  - Payments Authorized by individuals
  - Payments Processed on Weekends, Holidays, Sunday, etc.
- Bedford Analysis
  - Identify Outliers
  - Provide Sample for Further Review
- Test for Duplicate Payments
- Check Gap Detection
- Payments to Unauthorized Vendors

#### *GL Analysis*

- Find journal entries that do not balance
- Find gaps in journal entry number sequence
- Find high-dollar journal entries
- Find possible duplicate account entries

## INFORMATION TECHNOLOGY IN THE AUDIT PROCESS

- Find round-dollar journal entries
- Show journal entry information by employee
- Find all entries made by a specific employee
- Show values for the „journal entry type“ code
- Find manual entries
- Sample journal entries (random or high dollar)
- Find specific journal entries (by month, day or JE#)
- Find all entries containing specific account(s)
- Find all entries within a range of accounts
- Find post-dated entries
- Find entries with unusual (non-standard) descriptions
- Find entries posted on weekends

### *Accounts Receivable tests*

- Aging by Due Date or Invoice Date
- Accounts with Balances or Transactions Exceeding Credit Limits
- Accounts with Credit Balances
- Transactions Around a Date Range
- Duplicate Transactions
- Debtor Transaction Summary

### *Fixed Assets tests*

- Fixed Assets Additions
- Asset Category Summary
- Recalculate Straight Line Depreciation
- Recalculate Declining Balance Depreciation
- Depreciation Exceeding Cost
- Duplicate Field Search

### *Inventory tests*

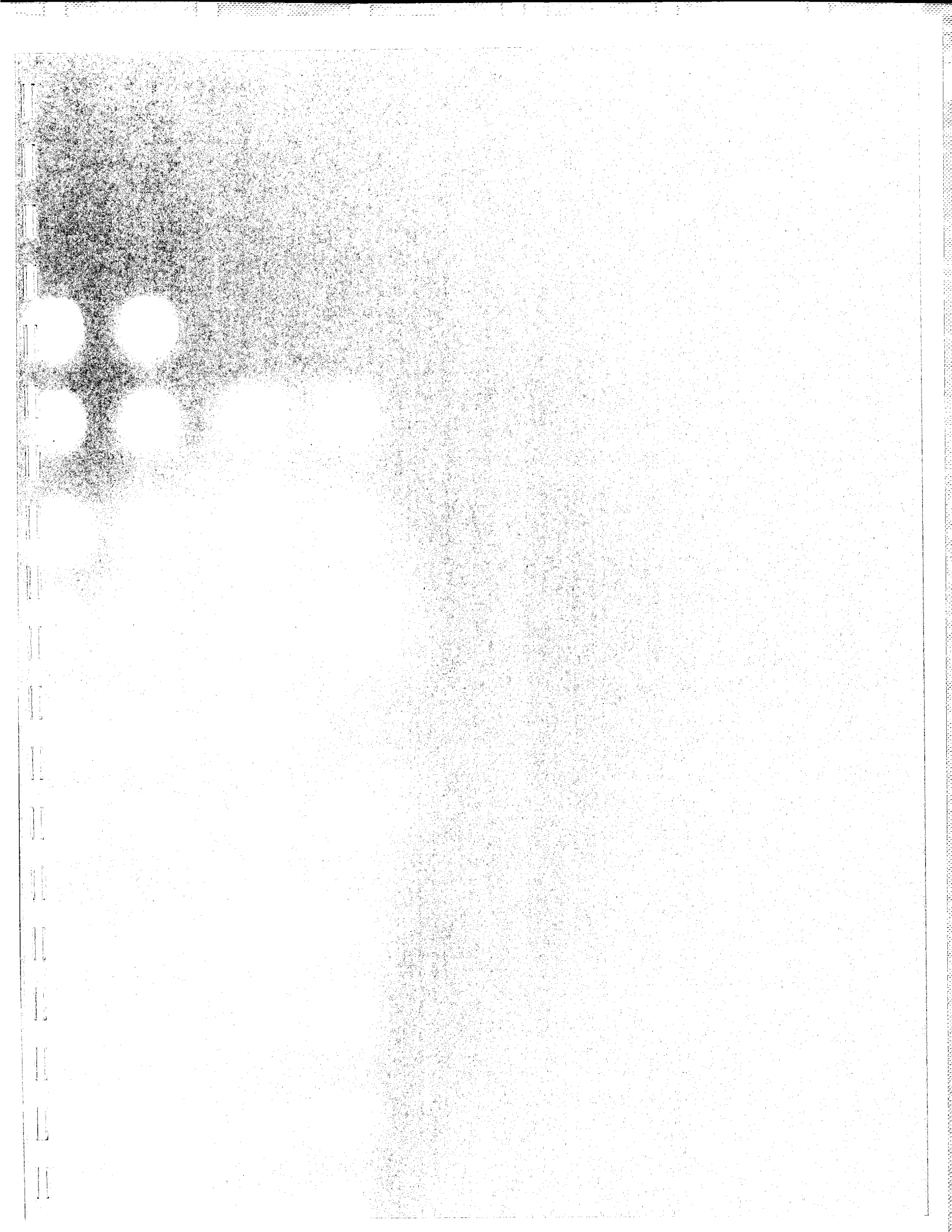
- Aging by Receipt Date
- Recalculate Inventory Balance
- Calculate Inventory Turnover Ratio
- Calculate Unit Turnover Ratio
- Zero or Negative Unit Cost
- Negative Quantity on Hand
- Inventory Location Summary
- Large Inventory Amounts
- Inventory Received Around a Specified Date
- Last Sales Price Lower than Unit Cost
- Compare Sales Price with Unit Cost
- Duplicate Field Search

### *Payroll tests*

- Fictitious employees
- Duplicate ACH deposits
- Compensation testing

### *Other tests*

- Electronic Banking
  - ACH
  - Wire
  - Remote Deposit



## REFERENCES

RELATIONSHIP	TIMELINE	SERVICE DESCRIPTION	KEY STAFF	Hours
<b>Duval County - City of Jacksonville</b> Phillip Peterson Internal Auditor 904.630.1212 x5601	2015 – Present	Financial and Single Audit CAFR Landfill Closure Fund Audit Other Reports on Various Recreational Services	Rob Lemmon Alan Nast David Mills Michele Schaeffer Charles Taverna	2600
<b>St. Johns County</b> R. Allen McDonald Finance Director 904.819-3669	2003 – Present	Financial and Single Audit, Bond Services Special Projects, CAFR, AG attestations, DCF, AFR Court Cost Report	Alan Nast Rob Lemmon Lon Stafford	1650
<b>Alachua County</b> Todd Hutchinson, CPA, CGFO Director of Finance (352) 338-7366	2007- Present	Financial and Single Audit, CAFR, AG attestations, DCF, AFR, Court Cost Report	Frank Mason Rob Lemmon Alan Nast Lon Stafford	1800
<b>Clay County</b> Don Moore, CPA Finance Director (904) 284-6332	2007-2012  2015- Present	Financial Audit Single Audit CAFR, AG attestations, DCF, AFR, Court Cost Report	Lon Stafford Rob Lemmon Tina Robinson Alan Nast	1600
<b>Flagler County, Florida</b> Helena Alves	2011- Present	Financial and Single Audit CAFR AG attestations, DCF, AFR, Court Cost Report	Tina Robinson Alan Nast Lon Stafford Bret Stone Michele Schaeffer Rob Lemmon	1350

# PEER REVIEW REPORT



## System Review Report

January 31, 2014

To the Partners of Carr, Riggs & Ingram, LLC  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Carr, Riggs & Ingram, LLC (the firm) applicable to non-SEC issuers in effect for the year ended June 30, 2013. 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 to 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/prsummary](http://www.aicpa.org/prsummary).

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

In our opinion, the system of quality control for the accounting and auditing practice of Carr, Riggs & Ingram, LLC applicable to non-SEC issuers in effect for the year ended June 30, 2013, has been suitably designed and complied with 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 deficiency(ies)* or *fail*. Carr, Riggs & Ingram, LLC has received a peer review rating of *pass*.

*Eide Bailly LLP*

Eide Bailly LLP

[www.eidebailly.com](http://www.eidebailly.com)

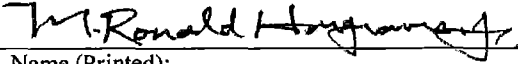
800 Nicollet Mall, Ste. 1300 | Minneapolis, MN 55402-7003 | T 612.253.6500 | F 612.253.0800 | EOE





ATTACHMENT "A"

Addendum Acknowledgment

Acknowledgment is hereby made of receipt of addenda issued during the solicitation period.  <b>BID NO. NC17-008</b>	Addendum # <u>1</u> through # <u>2</u> Initial: <u>WRH</u> Date: <u>3/27/2017</u>
Person Completing RFP (Signature) 	
Name (Printed): <b>M. RONALD HARGRAVES, JR.</b>	Title: <b>PARTNER</b>

>>>Failure to submit this form would have a negative impact on your evaluation score<<<

## ATTACHMENT "D"

NASSAU COUNTY

SWORN STATEMENT UNDER SECTION 287.133(3) (a), FLORIDA STATUTES,  
ON PUBLIC ENTITY CRIMES

THIS MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS

1. This sworn statement is submitted with Bid, Proposal or Contract for BID NO. NC17-008, PROFESSIONAL AUDIT SERVICES
2. This sworn statement is submitted by CARR, RIGGS & INGRAM, LLC (entity submitting sworn statement), whose business address is 637 PARK ST. JACKSONVILLE, FL 32204 and its Federal Employee Identification Number (FEIN) is 72-1396621 (if the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: \_\_\_\_\_).
3. My name is M. RONALD HARGRAVES, JR. (please print name of individual signing), and my relationship to the entity named above is PARTNER.
4. 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 with the United States, including, but not limited to, any bid or contract for goods or services, any leases for real property, or any contract for the construction or repair of a public building or public work, 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 misrepresentation.
5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction or 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.
6. 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 to fair market value under an arm's length agreement, shall be 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 thirty-six (36) months shall be considered an affiliate.
7. 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 binding contract and which bids or applies to bid on contracts 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.

- 8. Based on information and belief, the statement, which I have marked below, is true in relation to the entity submitting this sworn statement. (Please 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 management of the entity, nor any affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

\_\_\_\_\_ The entity submitting this sworn statement, or one of more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in 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, and (Please indicate which additional statement applies.)

\_\_\_\_\_ There has been a proceeding concerning the conviction before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the Hearing Officer did not place the person or affiliate on the convicted vendor list. (Please attach a copy of the final order.)

\_\_\_\_\_ The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. (Please attach a copy of the final order.)

\_\_\_\_\_ The person or affiliate has not been placed on the convicted vendor list. (Please describe any action taken by or pending with the Department of General Services.)

M. Ronald Hargraves, Jr.  
(Signature)

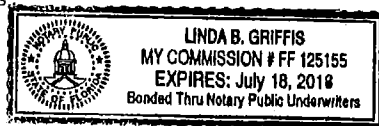
3/27/2017  
Date

STATE OF FLORIDA  
COUNTY OF Duval

PERSONALLY APPREARED BEFORE ME, the undersigned authority, M. Ronald Hargraves, Jr., who, after first being sworn by me, affixed his/her signature in the space provided above on this 27<sup>th</sup> day of March, 2007.

Linda B. Griffis  
(Notary Public)

My Commission Expires: \_\_\_\_\_ (seal)





**NASSAU COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
Contract Management Department  
96135 Nassau Place, Suite 6  
Yulee, Florida 32097  
904-530-6040 Fax: 904-321-2658

David J. Pensante  
Procurement Manager  
dpensante@nassaucountyfl.com

TO: All Proposers  
FROM: David J. Pensante, Procurement Manager  
SUBJECT: Addendum #1  
Invitation to Bid, Bid Number NC17-008  
Professional Audit Services  
March 8, 2017

**REMINDER: This addendum must be acknowledged, signed and returned with your proposal. Failure to comply may result in disqualification of your submittal.**

This addendum is hereby incorporated into the bid documents of the project referenced above. The following items are clarifications, corrections, additions, deletions and/or revisions to and shall take precedence over the original documents.

**Question & answers.**

**Part 1 – Questions & Answers**

Q1. N/A

**Part 2 – Clarifications**

C1. **THE CORRECT EMAIL ADDRESS FOR DAVID PENSANTE, PROCUREMENT MANAGER, NASSAU COUNTY CONTRACT MANAGEMENT DIVISION IS LISTED BELOW. ALL QUESTIONS PERTAINING TO THIS REQUEST FOR PROPOSALS (RFP) SHOULD BE DIRECTED TO THIS POINT OF CONTACT.**

**dpensante@nassaucountyfl.com**

**ACKNOWLEDGMENT IS HEREBY MADE OF RECEIPT OF THIS ADDENDUM NO. 1, ISSUED DURING THE SOLICITATION PERIOD:**

Vendor Signature: M. Ronald Hargraves, Jr. Date: 3/27/2017

**NOTE: You are required to acknowledge receipt of this addendum by signing and submitting it with your bid/proposal (signature page only). In addition you are to acknowledge receipt on the Addendum Acknowledgment, Attachment "A" (page 11).**

**End of Addendum #1**



**NASSAU COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
Contract Management Department  
96135 Nassau Place, Suite 6  
Yulee, Florida 32097  
904-530-6040 Fax: 904-321-2658

David J. Pensante  
Procurement Manager  
dpensante@nassaucountyfl.com

**TO:** All Proposers  
**FROM:** David J. Pensante, Procurement Manager  
**SUBJECT:** Addendum #2  
Invitation to Bid, Bid Number NC17-008  
Professional Audit Services  
March 22, 2017

**REMINDER: This addendum must be acknowledged, signed and returned with your proposal. Failure to comply may result in disqualification of your submittal.**

This addendum is hereby incorporated into the bid documents of the project referenced above. The following items are clarifications, corrections, additions, deletions and/or revisions to and shall take precedence over the original documents.

#### **Question & answers.**

#### **Part 1 – Questions & Answers**

- Q1.** May we please receive a copy of the prior year financial statements and single audit report?  
**A1.** Please visit [www.myflorida.com/audgen](http://www.myflorida.com/audgen) and click the "Filed Reports" tab on the left side of the home page. Click on Counties and then select Nassau.
- Q2.** How many auditors were in the field last year and for approximately how many days?  
**A2.** During the audit there is an average of seven auditors for the Board and they are on site for about two weeks for the audit. Additionally, the auditors are onsite one week for preliminary work.
- Q3.** Who is responsible for preparing the financial statements and notes?  
**A3.** The auditors prepare the financials and notes for the Board. County staff reviews completed financials
- Q4.** What was the fee for the prior year services?  
**A4.** \$190,000.00
- Q5.** May we please receive a copy of the prior year financial statements for the following:
- Board of County Commissioners
  - Clerk of the Circuit Court
  - Supervisor of Elections
  - Sheriff
  - Tax Collector
  - Property Appraiser
- A5.** Please visit [www.myflorida.com/audgen](http://www.myflorida.com/audgen) and click the "Filed Reports" tab on the left side of the home page. Click on Counties and then select Nassau.
- Q6.** What were the audit fees for each of the last three fiscal years?  
**A6.** FY 2014 \$216,000, FY 2015 \$185,000 and FY 2016 \$190,000

- Q7. Are the current auditors allowed to respond to the RFP?  
A7. *Yes*
- Q8. How long has the current auditor been performing this audit?  
A8. *Approximately 12 years*
- Q9. In fiscal year 2016, were there any additional services provided by the current auditors? If so, what were they and what were the fees?  
A9. *No*
- Q10. Does the ENTITY expect to meet the requirements for a Federal Single Audit in 2017?  
A10. *No*
- Q11. Does the ENTITY expect to meet the requirements for a Florida Single Audit in 2017?  
A11. *Yes*
- Q12. Are there any material current events that will affect the ENTITY during the 9/30/17 fiscal year (lawsuits, debt issuances, changing software, new programs, loss/gain of major funding source...)?  
A12. *None*
- Q13. Who will be the members of the audit selection committee?  
A13. *Please reference the RFP Document, page 8.*
- Q14. Does the County prepare all financial statements, or is the auditor responsible for preparation of certain statements?  
A14. *The auditor is responsible, but County and Clerk staff review financials.*
- Q15. What is the primary software utilized for the County's accounting applications?  
A15. *The BOCC and most constitutionals use Munis (Tyler Technology).*

**Part 2 – Clarifications**

- C1. *N/A*

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**ACKNOWLEDGMENT IS HEREBY MADE OF RECEIPT OF THIS ADDENDUM NO. 2, ISSUED DURING THE SOLICITATION PERIOD:**

Vendor Signature: *W. Ronald Hargreaves* Date: *3/27/2017*

**NOTE:** You are required to acknowledge receipt of this addendum by signing and submitting it with your bid/proposal (signature page only). In addition you are to acknowledge receipt on the Addendum Acknowledgment, Attachment "A" (page 11).

**End of Addendum #2**

**National Strength.**  
SOUTHERN ROOTS.

