

**CONTRACT FOR PROFESSIONAL AUDITING SERVICES
FOR NASSAU COUNTY, FLORIDA**

THIS AGREEMENT made and entered into this 15th day of August 2018, by and between the **NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS**, a political subdivision of the State of Florida, hereinafter referred to as "County", and Purvis Gray & Company, LLP, a Florida Profit Corporation, whose principle office address is located at 222 NE 1st Street, Gainesville, Florida 32601, hereinafter referred to as "Auditor":

WHEREAS, the County desires to obtain professional auditing services from a qualified firm of certified public accountants to audit its financial statements; and

WHEREAS, the Auditor desires to render certain professional auditing services, and has the qualifications, experience, staff and resources to perform those services; and

WHEREAS, the County, through a competitive selection process conducted in accordance with the requirements of law and County policy has determined that it would be in the best interest of the County to award a contract to Auditor for the rendering of those services described in the Scope of Services herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE 1 - ENGAGEMENT OF AUDITOR

The County hereby agrees to engage Auditor, and Auditor hereby agrees to perform the services set forth in the Scope of Services.

ARTICLE 2 - SCOPE OF SERVICES

2.1 Auditor shall provide professional auditing services in accordance with the Scope of Services set forth in Attachment "A", attached hereto and incorporated by reference, and any additional services as may be specifically designated and additionally authorized by the parties.

2.2 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.

ARTICLE 3 - THE COUNTY'S RESPONSIBILITY

The County's responsibilities is to furnish required information, services, render approvals and decisions as necessary for the orderly progress of Auditor's services. The County hereby designates the Office of Management & Budget to act on the County's behalf with respect to the Scope of Services. The Office of Management & Budget, under the supervision of the County Manager shall have complete authority to transmit instructions, receive information, interpret and define County's policies and decisions with respect to materials, elements and systems pertinent to Auditor's services.

ARTICLE 4 - TERM OF AGREEMENT

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

ARTICLE 5 - COMPENSATION

5.1 The fee for audit services shall not exceed \$175,000 for the Fiscal Year 2018 audit, \$177,000 for the Fiscal Year 2019 audit and \$179,000 for the Fiscal Year 2020 audit of the Board of County Commissioners, Clerk of the Circuit Court, Supervisor of Elections, Sheriff, Tax Collector and Property Appraiser.

5.2 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. Labor Unit rates shall be established at the beginning of this Agreement and may be adjusted annually upon written agreement of the parties after the anniversary date of the Agreement.

ARTICLE 6 – INVOICES/MANNER OF PAYMENT

6.1 Invoices shall be submitted simultaneously by the Auditor to the Clerk's office, attention Finance Director 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.

6.2 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 Court, 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.

6.3 Invoices for services shall be paid in accordance with the Florida Prompt Payment Act. The County reserves the right to withhold payment to Auditor for failure to perform the work in accordance with the provisions of this Agreement, and the County shall promptly notify Auditor if any invoice or report is found to be unacceptable and will specify the reasons therefor.

6.4 Periodic progress billings shall be submitted as the work progresses, but not more often than one (1) time a month.

6.5 All representation, indemnifications, warranties and guarantees made in, required by or given in accordance with this Agreement, as well as all continuing obligations indicated in this Agreement, will survive final payment and termination or completion of this Agreement.

ARTICLE 7 - STANDARD OF CARE

Auditor shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily provided by a professional under similar circumstances and Auditor shall, at no additional cost to the County, re-perform services which fail to satisfy the foregoing standard of care.

ARTICLE 8 - DOCUMENTS

The documents which comprise this Agreement between the County and the Auditor are attached hereto and made a part hereof and consist of the following:

- 8.1 This Agreement;
- 8.2 The Scope of Services attached hereto Attachment "A";
- 8.3 Audit Engagement Letter, unless in conflict with this contract.
- 8.4 Any written amendments, modifications or addenda to this Agreement.

ARTICLE 9 - EQUAL OPPORTUNITY EMPLOYMENT

In connection with the work to be performed under this Agreement, Auditor agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity statutes and regulations.

ARTICLE 10 - TRUTH-IN-NEGOTIATION/PUBLIC ENTITY CRIMES AFFIDAVIT

Auditor certifies that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of contracting. The original contract price and any additions thereto shall be adjusted to exclude any significant sums by which the county determines the contract price was increased due to inaccurate, incomplete, or non-current wage rates and other factual unit costs. Auditor represents that it has furnished a Public Entity Crimes Affidavit pursuant to Section 287.133, Florida Statutes.

ARTICLE 11 - INDEMNIFICATION

11.1 Auditor shall indemnify and hold harmless the County and its officers and employees from liabilities, damages, losses, and costs, including but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the Auditor and other persons employed or utilized by the auditor, in the performance of the contract.

ARTICLE 12 - INDEPENDENT CONTRACTOR

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.

ARTICLE 13 – EXTENT OF AGREEMENT

13.1 This Agreement represents the entire and integrated agreement between the County and Auditor and supersedes all prior negotiations, representations, or agreement, either written or oral.

13.2 This Agreement may only be amended, supplemented, modified, changed or canceled by a duly executed written instrument.

13.3 The Scope of Services, Time of Completion, and other material terms and conditions may be changed only by written amendment.

ARTICLE 14 - COMPLIANCE WITH LAWS

In performance of the services, Auditor will comply with applicable regulatory requirements including federal, state, and local laws, rules regulations, orders, codes, criteria and standards.

ARTICLE 15 - INSURANCE

15.1 The Auditor shall purchase and maintain such commercial (occurrence form) or comprehensive general liability, workers compensation, professional liability, and other insurance as is appropriate for the services being performed hereunder by Auditor, its employees or agents. The amounts and types of insurance shall conform to the requirements set forth in Request for Proposal.

ARTICLE 16 - TERMINATION OF AGREEMENT

16.1 Termination for Convenience: This Agreement may be terminated by the County for convenience, upon thirty (30) days of written notice to Auditor. In such event, the Auditor shall be paid its compensation for services performed prior to the termination date. In the event that the Auditor abandons this Agreement or causes it to be terminated, Auditor is liable to the County for any and all loss pertaining to this termination.

16.2 Default by Auditor: In addition to all other remedies available to the County, the County may terminate this Agreement for cause should the Auditor neglect, fail to perform, or observe any of the terms, provisions, conditions, or requirements herein contained. Prior to termination the County shall provide written notice of the specific conditions warranting default, and the County shall allow thirty (30) days for Auditor to cure.

ARTICLE 17 - NONDISCLOSURE OF PROPRIETARY INFORMATION

Auditor shall consider all information provided by County and all reports, studies, calculations, and other documentation resulting from the Auditor's performance of the Services to be proprietary unless such information is available from public sources. Auditor shall not publish or disclose proprietary information for any purpose other than the performance of the services or through the Auditor's Peer Review requirements without the prior written authorization of County or in response to legal process.

ARTICLE 18 - UNCONTROLLABLE FORCES

18.1 Neither the County nor Auditor shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to Uncontrollable Forces, the effect of which, by the exercise of reasonable diligence, the non-performing party

could not avoid. The term "Uncontrollable Forces" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the reasonable control of the nonperforming party. It includes, but is not limited to fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, and governmental actions.

18.2 Neither party shall, however, be excused from performance if nonperformance is due to forces, which are preventable, removable, or remediable, and which the nonperforming party could have, with the exercise of reasonable diligence, prevented, removed, or remedied with reasonable dispatch. The nonperforming party shall, within a reasonable time of being prevented or delayed from performance by an uncontrollable force, give written notice to the other party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

ARTICLE 19 - GOVERNING LAW AND VENUE

This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Nassau County.

ARTICLE 20 - MISCELLANEOUS

20.1 Non-waiver: A waiver by either County or Auditor of any breach of this Agreement shall not be binding upon the waiving party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach. The making or acceptance of a payment by either party with knowledge of the existence of a default or breach shall not operate or be construed to operate as a waiver of any subsequent default or breach.

20.2 Severability: Any provision in this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction. The non-enforcement of any provision by either party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

20.3 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 is providing services to the County, and pursuant to section 119.0701, Florida Statutes, the contractor shall:

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

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

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

ARTICLE 21 - SUCCESSORS AND ASSIGNS

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.

ARTICLE 22 - CONTINGENT FEES

The Auditor warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Auditor to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company,

corporation, individual or firm, other than a bona fide employee working solely for the Auditor, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.

ARTICLE 23 - OWNERSHIP OF DOCUMENTS

Auditor shall be required to work in harmony with other auditors relative to providing information requested in a timely manner and in the specified form. Any and all documents, records, disks, original drawings, or other information shall become the property of the County upon completion for its use and distribution as may be deemed appropriate by the County.

ARTICLE 24 - FUNDING

This agreement shall remain in full force and effect only as long as the expenditures provided for in the Agreement have been appropriated by the County Commission of the County of Nassau in the annual budget for each fiscal year of this Agreement, and is subject to termination based on lack of funding.

ARTICLE 25 - NOTICE

25.1 Whenever either party desires or is required under this Agreement to give notice to any other party, it must be given by written notice either delivered in person, sent by U.S. Certified Mail, U.S. Express Mail, air or ground courier services, or by messenger service, as follows:

COUNTY

Justin Stankiewicz
Office of Management and Budget
96135 Nassau Place, Suite 2
Yulee, Florida 32097
904-530-6010
jstankiewicz@nassaucountyfl.com

With a copy to the County Attorney:

Michael Mullin
Nassau County Attorney
96135 Nassau Place, Suite 6
Yulee, FL 32097
904-530-6100
Fax: 904-321-2658
mmullin@nassaucountyfl.com

AUDITOR:

Ron Whitesides
Audit Partner
222 NE 1st Street
Gainesville, FL 32601
352-378-2461
rwhitesides@purvisgray.com

25.2 Notices shall be effective when received at the address specified above. Changes in the respective addresses to which such notice may be directed may be made from time to time by any party by written notice to the other party. Email and facsimile are acceptable notice effective when received, however, notices received (i.e.; printed) after 5:00 p.m. or on weekends or holidays, will be deemed received on the next business day. The original of the notice must additionally be mailed as required herein.

25.3 Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of Auditor and County.

ARTICLE 26 - DISPUTE RESOLUTION

26.1 The County may utilize this section, at their discretion, as to disputes regarding contract interpretation. The County may send a written communication to the Auditor by email, overnight mail, UPS, FedEx, or certified mail. The written notification shall set forth the County's interpretation of the contract. A response shall be provided in the same manner prior to the initial meeting with the County Manager. This initial

meeting shall take place no more than twenty (20) days from the written notification of the dispute addressed to the Auditor. The Auditor should have a representative, at the meeting that can render a decision on behalf of the Auditor.

26.2 If there is no satisfactory resolution as to the interpretation of the contract, the dispute may be submitted to mediation in accordance with mediation rules as established by the Florida Supreme Court. Mediators shall be chosen by the County and the cost of mediation shall be borne by the Auditor. Auditor shall not stop work during the pendency of mediation or dispute resolution.

ARTICLE 27 – ENTIRE AGREEMENT

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

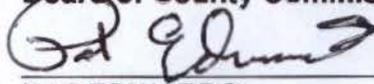
ARTICLE 28 – EFFECTIVE DATE

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

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of
the day and year first written above.

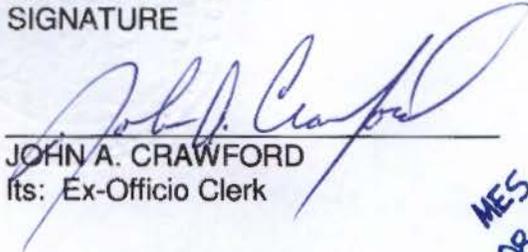
**Nassau County,
Board of County Commissioners**



PAT EDWARDS
Its: Chair

Date: 8-15-18

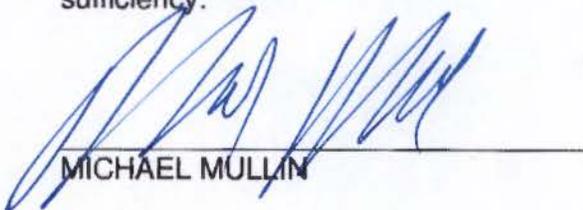
ATTEST TO CHAIR
SIGNATURE



JOHN A. CRAWFORD
Its: Ex-Officio Clerk

MES
08-16-18

Approved as to form and legal
sufficiency:



MICHAEL MULLIN

Purvis Gray and Company, LLP:



RON WHITESIDES
Audit Partner

ATTACHMENT A - SCOPE OF WORK

- 2.1 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.
- 2.2 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.
- 2.3 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.
- 2.4 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.
- 2.5 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 Respondent will be required to provide possible special assistance to Nassau County to meet the requirements of that program.
- 2.6 **REPORTS TO BE ISSUED:** Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:
 - 2.6.1 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.
 - 2.6.2 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.
 - 2.6.3 A report on compliance and internal control over compliance applicable to each major federal program and state financial assistance projects.
 - 2.6.4 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).
 - 2.6.5 A report on compliance with Section 218.415, Florida Statutes.

- 2.6.6 A report on compliance with Section 365.172(10) and Section 365.173(2)(d), Florida Statutes
- 2.6.7 For the Clerk of Courts & Comptroller, a report on compliance with Section 28.35 and Section 28.36, Florida Statutes
- 2.6.8 For the Clerk of Courts & Comptroller, a report on compliance with Section 61.181, Florida Statutes
- 2.6.9 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.

2.7 TIME REQUIREMENTS FOR SERVICES

- 2.7.1 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.
- 2.7.2 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.
- 2.7.3 The list of reports to be prepared by Finance for the Final Field Work will be submitted on or before September 30. 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.
- 2.7.4 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.
- 2.7.5 Audit Adjustments and Review will be completed on or before January 31 each year.
- 2.7.6 Preliminary Board financial statements and County-wide Financial Statements with all necessary individual, combining, and combined statements and schedules needed to meet the requirements of the Comprehensive Annual Financial Report shall be delivered to the County by February 25th of each year. The County understands that in order to meet this deadline, the books of the County will need to be closed, in good order, and ready for audit by December 1st of each year.
- 2.7.7 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.

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

2.8 ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

- 2.8.1 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.

- 2.8.2 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:

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

2.8.2.2 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.

2.8.2.3 Countywide Annual Financial Report of Units of Local Government.

2.9 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.

2.10 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.

2.11 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.

2.12 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.