

CITY OF WAUCHULA
REQUEST FOR PROPOSALS
INDEPENDENT AUDIT SERVICES

Sealed proposals will be received in the City Clerk's Office, June 15, 2023, prior to 2:00 p.m.

Attached are important instructions and specifications regarding responses to this Request for Proposals. Failure to follow these instructions could result in disqualification.

Questions regarding this proposal must be in writing and must be sent to Stephanie Camacho, City Clerk, E-mail: scamacho@cityofwauchula.com. All questions must be received by June 8, 2023.

Prospective proposers shall not contact, communicate with or discuss any matter relating in any way to the Request for Proposal with the City Commissioners, any employee of the City of Wauchula, other than the City Clerk or as directed in the Request for Qualifications. Such communications initiated by a proposer shall be grounds for disqualifying the offending proposer from consideration for award of the proposal and/or any future proposal.

Proposals may be mailed, express mailed or hand delivered to:

City of Wauchula
Stephanie Camacho, City Clerk
126 S. 7th Avenue
Wauchula, Florida 33873

CITY OF WAUCHULA
Request for Proposals
RFP 23-01: Independent Audit Services

Notice of Interest

Date: _____

Proposer Name: _____

Address: _____

Telephone: _____

Fax: _____

E-Mail: _____

Proposer's Signature: _____

(Duly Authorized)

Return To:

Stephanie Camacho, City Clerk
City of Wauchula
126 S. 7th Avenue
Wauchula, FL 33873
(Fax) 863-773-0773

**CITY OF WAUCHULA
REQUEST FOR PROPOSALS
INDEPENDENT AUDIT SERVICES**

INTRODUCTION

The City of Wauchula, Florida invites Independent Certified Public Accountants who are licensed to practice in the State of Florida and who are experienced in performing audits for governmental entities to submit proposals for the performance of an examination of its financial statements for the period beginning October 1, 2022 and ending September 30, 2023, with the expectation of a three (3) year contract and two (2) additional one year extensions thereafter, subject to the mutual satisfaction of both parties. The City of Wauchula desires the auditor to express an opinion on the fairness with which the financial statements present the City's financial position, results of operations and cash flows in conformity with generally accepted accounting principles, and an audit in accordance with Government Auditing Standards, issued by the Comptroller General of the United States and the State of Florida.

**DESCRIPTION OF CITY OF WAUCHULA
AND RECORDS TO BE AUDITED**

1. The City of Wauchula is located in Hardee County on Florida's west central heartland, and encompasses approximately 3.3 square miles with a population of 4,900. It has a City Commission/City Manager form of government. The FY23 budget is approximately \$21,850,859. The City provides the following services: electric, water, sewer, solid waste, municipal airport, law enforcement, community development, road and draining facilities maintenance, parks & recreation, code enforcement, cemetery and general government with a community redevelopment agency.
2. Accounting records for the City are maintained by the City's Finance Department. The City's records include a general fund, a special revenue fund, an airport fund, utilities fund, sanitation fund, utilities deposits fund, General Employee Pension, other post-employment benefits and Police Pension Funds. Copies of the Audited Financial Statements for FY22 and the City's FY23 annual budget are available on the City's website at www.cityofwauchla.com.
3. All accounting records are maintained on the modified accrual basis or accrual basis as appropriate.
4. Budgets are integrated with the accounting records.

SCOPE OF SERVICES

1. Perform in accordance with generally accepted auditing standards and the standards for financial and compliance audits as required by Chapter 10.550 of the Rules of the State of Florida Auditor General applicable to local governmental entity audits.

2. The audit shall be a financial audit as defined in Chapter 11.45 1(d), Florida Statutes, and shall be conducted in accordance with generally accepted auditing standards.
3. The Firm agrees to conduct an audit examination that shall be a financial and compliance audit of the City's financial statements for the Fiscal Year ending September 30, 2023.
 - a) A financial and compliance audit, "single audit", of Federal and State grants shall be performed as defined in the GFOA's Government Auditing Standards (1988), the provision of Single Audit Act of 1984 (PL 98-502) and Office of Management and Budget (OMB) new guidance on *Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (aka Super Circular)*
4. The Firm will conduct the audit examination at the fund type level for the purpose of expressing an unqualified opinion on all "Basic Financial Statements" of the City, as set forth in the Governmental Accounting Standards Board (GASB) and pronouncements of the National Council on Governmental Accounting, and as further interpreted in the Governmental Accounting, Auditing and Financial Reporting (GAAFR) publication. The Firm will perform their audit of the City's financial statements in accordance with generally accepted auditing standards and accordingly, will include such tests as considered necessary in the circumstances. Unless unusual conditions not now foreseen make it impracticable to do so, the Firm will submit a report on its examination of the City's financial statements which will express an opinion as to the fairness of their presentation in conformity with generally accepted accounting principles. If unable to express an unqualified opinion, the Firm shall notify the City Manager immediately, in writing, with copies to the City Commission stating the reasons therefore. The auditor is not required to audit the combining, individual fund and schedules. However, the auditor is to provide an "in relation to" report on the combining and individual fund financial statements and schedules based on the auditing procedures adopted during the audit of the basic financial statements. The auditor is not required to audit the statistical section of the report.
 - a) In addition to the Independent Audit Report, the Firm agrees to prepare the following reports.
 - b) Report on Supplementary Information Schedule of Federal Financial Assistance.
 - c) Single Audit Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs (*if total annual Federal and State grant assistance amounts equal \$750,000*).
 - d) Single Audit Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs (*if total annual Federal and State grant assistance amounts equal \$750,000*).
 - e) Single Audit on Compliance with the Specific Requirements Applicable to Major Federal Financial Assistance Programs (*if total annual Federal and State grant assistance amounts equal \$750,000*).

- f) Report on Supplementary Information - Schedule of State Financial Assistance.
 - g) Report on Compliance with Requirements of State Financial Assistance Programs.
 - h) Report on the Internal Control Structure Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards.
 - i) Report on Compliance Based on and Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards.
 - j) Report on Bond Compliance (as applicable).
 - k) Report on Debt Compliance (as applicable).
 - l) Application of auditing procedures to certain supplementary information directly underlying accounting and other records to prepare the financial statements or to be financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America and to provide an opinion on it in relation to the financial statements as a whole, such as:
 - 1) Detail Schedule of Revenue and Expenses – Electric, Water, Sewer System and Sanitation
 - 2) Schedule of Insurance Coverage
 - m) As a result, no opinion will be provided on the required supplementary schedules listed:
 - 1) Management’s Discussion and Analysis
 - 2) Budgetary Schedule – General Fund
 - 3) Budgetary Schedule – Special Revenue Fund
 - 4) Schedule of Funding Progress and Employer Contributions – Employee Pension Fund
 - 5) Schedule of Funding Progress and Employer Contributions – Post Employment Benefits other than Pension.
5. The Firm agrees to prepare and type, in “printer’s proof” format the audit opinion, report on internal control, compliance report, management letter, single audit reports, and other required reports.
 6. The auditor in charge of the engagement and the field audit manager must be available to attend the public meeting to present the final report.
 7. The Firm agrees to perform a substantial portion of the audit on City premises. The City agrees to furnish adequate working space that is well-lighted, reasonably comfortable and reasonably approximate to accounting records.

8. The Firm agrees to provide all equipment, materials supplies and personnel services to perform the audit. The City agrees to provide, at no cost, all photocopying necessary to perform the audit.
9. By submitting a proposal, the Firm acknowledges that during the proposal period the City may add or delete funds, incur additional debt, engage in new governmental ventures, and otherwise modify or expand its current operations. Modifications to the existing contract terms should not be necessary unless the changes are significant to the City as a whole and require substantial changes in the audit plan or scope.

PERFORMANCE SPECIFICATIONS

1. To be eligible to qualify as external auditor, the following minimum requirements must be met.
 - a) The Firm must have been established as a legal entity, be licensed in the State of Florida, and have performed continuous CPA services for minimum of five (5) years.
 - b) The Firm must submit an affirmation that the proposer meets the independence requirements of the Standards for Audit of Governments Organizations, Programs, Activities and Functions, 1981 revision, published by the U.S. General Accounting Office, and as specified by generally accepted governmental auditing standards.
 - c) The Firm must submit an affirmation that the proposer does not have a record of substandard audit work.
 - d) The partner in charge of the audit and the certified public accountant in charge of the fieldwork must have completed, within the immediately preceding three years, at least 24 hours of continuing professional education, which are approved by the Board of Accountancy and are directly related to the governmental environment and governmental auditing.
2. The audit shall be performed in compliance with the requirements of:
 - a) Applicable Florida Statues.
 - b) Regulations of the State of Florida Department of Financial Services
 - c) Rules of the Auditor General, State of Florida, Chapter 10.550 (Local Governmental Entity Audits)
 - d) *Audits of State and Local Government Units*, issued by the American Institute of Certified Public Accountants

- e) Office of Management and Budget (OMB) new guidance on *Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (aka Super Circular)*
 - f) United States Single Audit Act and Amendments.
 - g) State of Florida Single Audit Act.
 - h) Statements on Auditing Standards (GAAS).
 - i) *Government Auditing Standards*, issued by the Comptroller General of the United States.
 - j) Generally accepted governmental accounting standards.
 - k) Any other applicable federal, state, local regulations or professional guidance not specifically listed above as well as any additional requirements which may be adopted by these organizations in the future.
3. The audit shall be a financial audit as defined in Section 11.45(1)(b), Florida Statutes, shall cover the one-year period beginning October 1, 2022 and ending September 30, 2023 with the expectation that annual contracts will be awarded for two (2) additional years thereafter, subject to the mutual satisfaction of both parties. Contracts beyond this three-year period will be awarded annually, subject to the mutual satisfaction of both parties, for a period not to exceed an additional two (2) years.
 4. The audit is to be conducted at the fund type level, which is the same level as in the prior fiscal year, shall be conducted in accordance with generally accepted governmental auditing standards and shall include a review and evaluation of the City's system of internal accounting controls.
 5. The auditors shall submit, not later than fifteen (15) working days after the end of the field work, a draft of the management letter which shall identify material weaknesses observed in the system of internal accounting control, assess their effect on financial management and propose steps to eliminate the weaknesses. The final management letter and all required audit reports shall be submitted in "printers proof" format not later than February 1. Presentation of the audit to the City Commission should be made at the City Commission's first regular meeting in March.
 6. The auditor shall, without charge, make their work papers available to any Federal or State agency upon request and in accordance with Federal and State Law and Regulations.
 7. The auditors shall provide ten (10) originals and one (1) electronic copy of the final audit report.

8. For all applicable Federal and State grant programs, the auditors shall provide two (2) originals of the Single Audit Report and other required grant reports.
9. The City agrees to prepare preliminary working trial balances and to close the books and prepare the majority of required schedules and a final working trial balance by November 15 each year. The Finance Department will prepare all standard schedules and analysis requested by the Firm. Computer generated schedules and analyses will be utilized whenever practical, provided information is presented in substantially the same format as requested.
10. The City shall prepare the Comprehensive Annual Financial Report with assistance from the auditor, as needed.

FORMAT OF PROPOSALS

To assure consistency, proposals must conform to the following format:

Cover Letter

Table of Contents

Sections

- A. Introduction
- B. Qualifications/Experience
- C. Other Information
- D. References
- E. Audit Plan
- F. Cost & Time
- G. Independence

Section A-Introduction

This section should contain information about your Firm's experience, background and location. Include complete information regarding experience in this type of commercial service, number of years, number of employees, etc.

Section B-Qualifications/Experience

This section should contain qualifications and experience of personnel. Please submit resumes of key personnel who will be assigned to this contract.

Section C-Other Information

This section should address any other information necessary for a full understanding of your services. Please provide information on any additional services offered by your firm.

1. Describe the Firm's approach to continuing professional education related to government.
2. Describe the Firm's and the Firm's personnel's involvement in Governmental Accounting committees and associations.

3. A brief description of any continuing professional education seminars that the Firm offers for its clients.
4. Describe the Firm's approach to peer review and describe any disciplinary actions that have been instituted or proposed against the Firm during the last three years, specifically in regard to audits of governmental entities.
5. Provide peer review letters for the past three evaluations of the Firm.

Section D-References

Provide a listing of all governmental clients serviced during the last three years by the designated office that will provide audit services to the City. The listing should contain only governmental entity clients, contact person, phone number and date of services.

Section E-Audit Plan

This section should clearly describe the detailed audit plan and methodology for meeting objectives. Please note the following:

1. Describe the overall approach that the Firm would take in this audit engagement including the extent to which statistical sampling techniques would be used.
2. Describe the approach that would be used to review the adequacy of the City's system of internal control.
3. Describe the approach that would be taken in Auditing Information Systems.
4. Describe the approach that would be used in testing for legal compliance.
5. Describe the Firm's reaction to each of the following:
 - a) While many firms establish "firm policies" on issues of GAAP for which existing GAAP is unclear, please address the first steps which would be taken if there is not established GAAP and the City proposed to take an alternative approach to the "firm's policy".
 - b) If a question of a GAAP interpretation arises between City staff and the audit team, what steps would be taken to adequately determine the action intent/direction of the available/applicable guidance?
6. Describe the process that the Firm will take to produce a meaningful "management letter".

Section F-Cost and Time

1. This section must clearly state the estimated completion time associated with the audit.

2. Cost proposals for each of the three (3) years must be broken down between:

- a) Basic Audit
- b) Single Audit

Section G-Independence

The Firm should provide an affirmative statement that is independent of the City as defined by generally accepted auditing standards/the U.S. General Accounting Office’s Government Auditing Standards.

The Firm should also list and describe the Firm’s professional relationships involving the City for the past five (5) years.

In addition, the Firm shall give the City written notice of any professional relationships entered into during the period of this agreement.

SELECTION AND EVALUATION PROCEDURES

The Audit Selection Committee will review the proposals received. The evaluation criteria listed below will be utilized to evaluate the proposals. Interviews with individuals may then be scheduled with the selection committee and/or the City Commission before a final decision is made. The City shall be the sole judge of its own best interests, the proposals and the resulting negotiated agreement. The City’s decisions will be final.

Proposals will be evaluated using a number of factors including, but not limited to, the following:

CRITERIA	WEIGHT
Demonstrated ability/qualifications of the firm and individuals: <ul style="list-style-type: none">o Qualifications of the firm, individuals in the industry;o Workload; ability and capacity to provide required services;o References from existing clients;o Individuals’ training;o Location of the firm/office in charge of the Worko Demonstration of ability to meet set objectives	35%
Approach to work: <ul style="list-style-type: none">o Technical Soundness of Proposalo Demonstrated understanding of scope of services including project approach;o Applicability of services offered	35%
Proposed Cost to the City	30%

RESPONSE

All inquiries in reference to this Request for Proposals shall be submitted in writing to:

Stephanie Camacho, City Clerk
City of Wauchula
126 S. 7th Ave
Wauchula, FL 33873
Email: scamacho@cityofwauchula.com

All responses to this RFP must be received as soon as possible, but no later than 2:00 P.M. on June 15, 2023 at the address listed above. Five (5) signed copies of your proposal shall be submitted in one sealed package, clearly marked on the outside “**Proposal for Independent Auditing Services**”. Any responses received after the deadline will be returned to the proposer unopened. The City will not reimburse any costs incurred by the responding firms in preparing proposals in response to this request.

City of Wauchula
Stephanie Camacho, City Clerk
126 S. 7th Avenue
Wauchula, Florida 33873

The delivery of the submittal on the above date and prior to the specified time is solely the responsibility of the proposer.

The submittal may be withdrawn either by written notice to the City Clerk or in person, if properly identified, at any time prior to the above submittal deadline.

GENERAL CONDITIONS

CONTACT

After the issuance of any Request for Proposals, prospective proposers shall not contact, communicate with or discuss any matter relating in any way to the Request for Proposals with the City Commission, and any employee of the City of Wauchula, other than the City Clerk or as directed in the Request for Proposals. This prohibition begins with the issuance of any Request for Proposals and ends upon execution of the final contract. Such communications initiated by a proposer **shall** be grounds for disqualifying the offending proposer from consideration for award of the proposal and/or any future proposal.

INDEMNIFICATION

Individual shall, in addition to any other obligation to indemnify the City and to the fullest extent permitted by law, protect, defend (by counsel reasonably acceptable to City), indemnify and hold harmless the City, their agents, elected officials and employees from and against, including, but not limited to, all claims, actions, liability, losses, costs (including attorney’s fees) arising out of any actual or alleged damage or loss arising out of or resulting from or claims to have resulted in whole or in part from any actual or alleged act or omission of the City Attorney, any substitute, anyone direct or indirectly employed by either of them, or anyone for whose acts any of them may be liable in the performance of the work; or violation of law, statute, ordinance,

governmental administration order, rule, regulation or infringement of patent rights by individual in the performance of the work; or liens, claims or actions made by the individual or any substitute or other party performing the work.

PUBLIC ENTITY CRIMES STATEMENT

Pursuant to subsections 287.133(2) and (3), Florida Statutes, "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 bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list." By submitting this proposal, the proposer hereby certifies that they have complied with said statute.

EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

The City is an equal opportunity/affirmative action employer. The City is committed to equal opportunity employment effort; and expects individuals that do business with the City to have a vigorous affirmative action program.

WOMEN/MINORITY BUSINESS ENTERPRISE OUTREACH

The City hereby notifies all Proposers that W/MBE's are to be afforded a full opportunity to participate in any request for proposal by the City and will not be subject to discrimination on the basis of race, color, sex or national origin.

DEVELOPMENT COSTS

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

APPLICABLE LAWS AND COURTS

This RFP and any resulting agreements shall be governed in all respects by the laws of the State of Florida and any litigation with respect thereto shall be brought only in the courts of Hardee County, Florida or the United States District Court, Middle District of Florida, located in Hillsborough County, Florida. The proposer shall comply with all applicable federal, state and local laws and regulations.

CONTRACTUAL MATTERS

All contracts are subject to final approval of the City of Wauchula City Commission. Persons who incur expenses or change position in anticipation of a contract prior to the Commission's approval do so at their own risk.

PROPRIETARY INFORMATION

In accordance with Chapter 119 of the Florida Statutes (Public Records Law), and except as may be provided by other applicable State and Federal Law, all proposers should be aware that

Request for Proposals and the responses thereto are in the public domain. However, the proposers are required to **identify specifically** any information contained in their proposals which they consider confidential and/or proprietary and which they believe to be exempt from disclosure.

All proposals received from proposers in response to this Request for Proposals will become the property of the City and will not be returned to the proposers. In the event of contract award, all documentation produced as part of the contract will become the exclusive property of the City.

UNAUTHORIZED ALIEN(S)

The bidder agrees that unauthorized aliens shall not be employed nor utilized in the performance of the requirements of this solicitation. The City shall consider the employment or utilization of unauthorized aliens a violation of Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a). Such violation shall be cause for unilateral termination of this Agreement by the City.

LIMITATIONS

This request does not commit the City of Wauchula to award a contract. The City reserves the right to: 1) accept or reject qualifications and/or proposals in part or in whole; 2) request additional qualification information; 3) limit and determine the actual contract services to be included in a contract; 4) obtain information for use in evaluating submittals from any source and 5) reject all submittals.

The City has provided the information contained in the RFP solely for the convenience of any party that chooses to respond. While the City has made every effort to assure that the information contained herein is accurate and complete, the City makes no warranty or representation regarding the content of the RFP.

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ATTACHMENT "A"
AUDITING SERVICES AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 2023, between the CITY OF WAUCHULA, a municipal corporation, organized and existing under the laws of the State of Florida, by and through its City Commission, situated at 126 S. 7th Avenue, Wauchula, Florida 33873, hereinafter referred to as **CITY**, and _____ located at _____ hereinafter referred to as **AUDIT FIRM**, and whose Federal Employer Identification Number is _____.

WHEREAS, CITY desires to engage an Audit Firm with experienced and accredited staff to perform auditing procedures required to report on the City's compliance to financial and statutory requirements for the benefit of its citizens and users of the financial statements. and

WHEREAS, CITY has solicited these services in RFP #23-01 included by reference as to the scope of services contained herein; and

WHEREAS, AUDIT FIRM represents he/she is capable and prepared to provide such Services;

NOW, THEREFORE, in consideration of the promises contained herein, the parties hereto agree as follows:

1.0 Term

1.1 This Agreement shall take effect on the date of its execution by the City Manager.

1.2 The term of this Agreement shall be for three (3) years, commencing upon the effective date, unless otherwise terminated as provided herein.

1.3 The CITY shall have the option to renew the Agreement for two (2) additional one-year periods, as approved by the CITY, at the same terms and conditions by giving the AUDIT FIRM written notice not less than thirty (30) days prior to the expiration of the initial term.

1.4 The City Manager will approve and execute each renewal or terminate the agreement at the end of any given term.

2.0 Services to Be Performed by AUDIT FIRM

2.1 AUDIT FIRM shall perform the services as generally described in the Scope of Work Exhibit "A".

3.0 Compensation

3.1 CITY shall pay AUDIT FIRM in accordance with Exhibit "B", "Price Proposal Form", which is attached hereto and incorporated by reference as part of this Agreement.

3.2 The Price Proposal Form, as set out in Exhibit "B" may be adjusted by an Amendment to the Professional Services Agreement, after mutual written agreement of the parties. The City Manager will approve and execute any fee schedule amendment.

3.3 Each individual invoice shall be due and payable forty-five (45) days after receipt by the CITY of correct, fully documented, invoice, in form and substance satisfactory to the CITY. All invoices shall be delivered to:

City of Wauchula
126 S. 7th Avenue
Wauchula, FL 33873

4.0 Standard of Care

4.1 AUDIT FIRM has represented to the CITY that he/she has the experience necessary to perform the work in a professional and workmanlike manner.

4.2 AUDIT FIRM shall exercise the same degree of care, skill, and diligence in the performance of the Services as is provided by a professional of like experience, knowledge and resources, under similar circumstances.

5.0 Indemnification

5.1 General. Having considered the risks and potential liabilities that may exist during the performance of the Services and in consideration of the promises included herein, CITY and AUDIT FIRM agree to allocate such liabilities in accordance with this Section.

5.2 Indemnification.

5.2.1 AUDIT FIRM, to the extent permitted by law, shall indemnify, defend (by counsel reasonably acceptable to CITY) protect and hold CITY, and its officers, employees and agents, free and harmless from and against any and all, including, but not limited to, any claims, actions, causes of action, liabilities, penalties, forfeitures, damages, losses and expenses (including, without limitation, attorney's fees and costs during negotiation, through litigation and all appeals therefrom), arising out of or resulting from (i) the failure of AUDIT FIRM to comply with applicable nonconflicting laws, rules or regulations, (ii) the breach by AUDIT FIRM of his/her obligations under this Agreement, (iii) any claim for trademark, patent or copyright infringement arising out of the scope of AUDIT FIRM's performance of this Agreement, or (iv) the negligent act, errors or omissions, or intentional or willful misconduct, of AUDIT FIRM, his/her substitutes, agents, employees and invitees; provided, however, that AUDIT FIRM shall not be obligated to defend or indemnify the CITY with respect to any such claims or damages arising out of the CITY's negligence.

5.2.2 CITY review, comment and observation of the AUDIT FIRM's work and performance of this Agreement shall in no manner constitute a waiver of the indemnification provisions of this Agreement.

5.2.3 AUDIT FIRM agrees that it bears sole legal responsibility for its work and work product, and the work and work product of substitutes and their employees, and/or for AUDIT FIRM's performance of this Agreement and its work product(s).

5.3 Survival. Upon completion of all Services, obligations and duties provided for in this Agreement, or in the event of termination of this Agreement for any reason, the terms and conditions of Section 6 shall survive as if the Agreement were in full force and effect.

6.0 Independent Contractor

6.1 AUDIT FIRM undertakes performance of the Services as an independent contractor and shall be wholly responsible for the methods of performance.

6.2 CITY shall have no right to supervise the methods used, but CITY shall have the right to observe such performance.

6.3 AUDIT FIRM shall work closely with CITY in performing Services under this Agreement.

6.4 The AUDIT FIRM shall not pledge the CITY's credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgment, lien or any form of indebtedness and shall have no right to speak for or bind the CITY in any manner.

6.5 AUDIT FIRM further warrants and represents that he/she has no obligation or indebtedness that would impair his/her ability to fulfill the terms of this Agreement.

7.0 Authority to Practice

7.1 The AUDIT FIRM hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, and that it will at all times conduct its business activities in a reputable manner.

8.0 Compliance with Laws

8.1 In performance of the Services, AUDIT FIRM will comply with applicable regulatory requirements including federal, state, special district, and local laws, rules, regulations, orders, codes, criteria and standards.

9.0 Subcontracting

9.1 The CITY reserves the right to accept the use of a subcontractor or to reject the selection of a particular subcontractor if for any reason AUDIT FIRM is unable to provide services.

9.2 If a subcontractor fails to perform, as required by this Agreement, and it is necessary to replace the subcontractor, the AUDIT FIRM shall promptly do so, subject to acceptance of the new subcontractor by the CITY. Failure of a subcontractor to timely or properly perform its obligations shall not relieve AUDIT FIRM of its obligations hereunder.

10.0 Federal and State Taxes

10.1 The CITY is exempt from Federal Tax and State Sales and Use Taxes. Upon request, the CITY will provide an exemption certificate to AUDIT FIRM. The AUDIT FIRM shall not be exempted from paying sales tax to his/her suppliers for materials to fulfill contractual obligations with the CITY, nor shall the AUDIT FIRM be authorized to use the CITY's Tax Exemption Number in securing such materials.

11.0 Public Entity Crimes

11.1 The AUDIT FIRM understands and acknowledges that this Agreement with the CITY will be void, in the event the conditions under Section 287.133, Florida Statutes applies to the AUDIT FIRM, relating to conviction for a public entity crime.

12.0 CITY's Responsibilities

12.1 CITY shall be responsible for providing information in the CITY's possession that may reasonably be required by AUDIT FIRM to provide services described in Section 2.0.

13.0 Termination of Agreement

13.1 This Agreement may be terminated by the AUDIT FIRM upon sixty (60) days prior written notice to the CITY.

13.2 This Agreement may be terminated by the CITY with or without cause within (30) days upon written notice to the AUDIT FIRM.

13.3 Unless the AUDIT FIRM is in breach of this Agreement, the AUDIT FIRM shall be paid for services rendered to the CITY's satisfaction through the date of termination.

14.0 Governing Law and Venue

14.1 This Agreement shall be governed in all respects by the laws of the State of Florida and any litigation with respect thereto shall be brought only in the courts of Hardee County, Florida or the United States District Court, Middle District of Florida located in Hillsborough County, Florida.

15.0 Non-Discrimination

15.1 The AUDIT FIRM warrants and represents that all of his/her employees are treated equally during employment without regard to race, color, religion, gender, age or national origin.

16.0 Waiver

16.1 A waiver by either CITY or AUDIT FIRM 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.

17.0 Severability

17.1 The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of the Agreement.

17.2 Any void provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void.

17.3 The parties further agree to reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

17.4 The provisions of this section shall not prevent the entire Agreement from being void should a provision which is of the essence of the Agreement be determined to be void.

18.0 Entirety of Agreement

18.1 The CITY and the AUDIT FIRM agree that this Agreement sets forth the entire Agreement between the parties, and that there are no promises or understandings other than those stated herein.

18.2 This Agreement supersedes all prior agreements, contracts, proposals, representations, negotiations, letters or other communications between the CITY and AUDIT FIRM pertaining to the Services, whether written or oral.

19.0 Modification

19.1 The Agreement may not be modified unless such modifications are evidenced in writing signed by both CITY and AUDIT FIRM. Such modifications shall be in the form of a written Amendment executed by both parties.

20.0 Successors and Assigns

20.1 CITY and AUDIT FIRM each binds itself/himself/herself and its/his/hers partners, successors, assigns and legal representatives to the other party to this Agreement and to their partners, successors, executors, administrators, assigns, and legal representatives.

20.2 AUDIT FIRM shall not assign this Agreement without the express written approval of the CITY by executed amendment.

21.0 Contingent Fees

21.1 The AUDIT FIRM warrants that he/she has not employed or retained any company or person, other than a bona fide employee working solely for the AUDIT FIRM to solicit or secure this Agreement and that he/she has not paid or agreed to pay any person, company, corporation, individual or firm, other than bona fide employee working solely for the AUDIT FIRM, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.

22.0 Access and Audits

22.1 AUDIT FIRM shall maintain adequate records to justify all charges and costs incurred in performing the work for at least three (3) years after completion of this Agreement. The CITY shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours at the AUDIT FIRM's place of practice.

22.2 Misrepresentations of billable time or reimbursable expenses as determined by the Auditor to the City of Wauchula shall result in the recovery of any resulting overpayments. The CITY's cost of recovery shall be the sole expense of the AUDIT FIRM, including accounting and legal fees, court costs and administrative expenses.

22.3 Intentional misrepresentations of billable hours and reimbursable expenses will be criminally prosecuted to the fullest extent of the law.

22.4 All invoices submitted are subject to audit and demand for refund of overpayment up to three (3) years following completion of all services related to this Agreement.

23.0 Notice

23.1 Any notice, demand, communication, or request required or permitted hereunder shall be in writing and delivered in person or sent by overnight courier service or by Certified Mail, postage prepaid as follows:

As to City:
City of Wauchula

126 S. 7th Avenue
Wauchula, FL 33873
Attention: City Manager

As to AUDIT FIRM:

23.2 Notices shall be effective when received at the addresses as specified above. Changes in the respective addresses to which such notice is to be directed may be made from time to time by either party by written notice to the other party. Facsimile transmission is acceptable notice effective when received, however, facsimile transmissions 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.

23.3 Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of AUDIT FIRM and CITY.

24.0 Service of Process

As to City:

City of Wauchula
126 S. 7th Avenue
Wauchula, FL 33873
Attention: City Manager

As to AUDIT FIRM:

25.0 Contract Administration

25.1 Services of AUDIT FIRM shall be under the general direction of the City Commission, or their designee, who shall act as the CITY's representative during the term of the Agreement.

26.0 Key Personnel

26.1 AUDIT FIRM shall notify CITY in the event of key personnel changes, which might affect this Agreement. To the extent possible, notification shall be made within ten (10) days prior to changes. AUDIT FIRM at CITY's request shall remove without consequence to the CITY any Subcontractor or employee of the AUDIT FIRM and replace him/her with another employee having the required skill and experience. CITY has the

right to reject proposed changes in key personnel. The following personnel shall be considered key personnel:

Name: _____

Name: _____

27.0. Annual Appropriations

27.1 AUDIT FIRM acknowledges that the CITY, during any fiscal year, shall not expend money, incur any liability, or enter into any agreement which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any agreement, verbal or written, made in violation of this subsection is null and void, and no money may be paid on such agreement. Nothing herein contained shall prevent the making of agreements for a period exceeding one year, but any agreement so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years. Accordingly, the CITY's performance and obligation to pay under this agreement is contingent upon annual appropriation.

28.0 Unauthorized Alien(s)

28.1 The AUDIT FIRM agrees that unauthorized aliens shall not be employed nor utilized in the performance of the requirements of this Agreement. The City shall consider the employment or utilization of unauthorized aliens a violation of Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a). Such violation shall be cause for unilateral termination of this Agreement by the City.

29.0 Limitation of Liability.

29.1 In no event, shall the CITY be liable to the AUDIT FIRM for indirect, incidental, consequential, special, exemplary, or punitive damages of any kind or nature, including loss of profit, whether foreseeable or not, arising out of or resulting from the nonperformance or breach of this contract by the CITY whether based in contract, common law, warranty, tort, strict liability, contribution, indemnity or otherwise.

(THE REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

Attest:
Stephanie Camacho
City Clerk

CITY OF WAUCHULA, a municipal
corporation, organized & existing under the
laws of the State of Florida

By: _____
Stephanie Camacho, City Clerk

By: _____
Olivia Minsheu, City Manager

Date Approved by Commission: _____

Review as to form and legal sufficiency

Kristie Hatcher-Bolin
City Attorney

Date _____

Attest:

By: _____

By: _____

[Print Name]

[Print Name]

[Title]

DATE: _____

DATE: _____

ACKNOWLEDGEMENT

STATE OF _____ COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
(Date)

By _____
(Name of acknowledging)

who personally appeared before me at the time of notarization, and is personally known to me

or has produced _____ as identification and did certify to
(Type of Identification)

have knowledge of the matters in the foregoing instrument and certified the same to be true in
all respects.

Subscribed and sworn to (or affirmed) before me this _____
(Date)

Commission Number _____
(Official Notary Signature and Notary Seal)

Commission Expiration Date _____
(Name of Notary typed, printed or stamped)

EXHIBIT A

SCOPE OF SERVICES

1. Perform in accordance with generally accepted auditing standards and the standards for financial and compliance audits as required by Chapter 10.550 of the Rules of the State of Florida Auditor General applicable to local governmental entity audits.
2. The audit shall be a financial audit as defined in Chapter 11.45 1(d), Florida Statutes, and shall be conducted in accordance with generally accepted auditing standards.
3. The Firm agrees to conduct an audit examination that shall be a financial and compliance audit of the City's financial statements for the Fiscal Year ending September 30, 2023.

A financial and compliance audit, "single audit", of Federal and State grants shall be performed as defined in the GFOA's Government Auditing Standards (1988), the provision of Single Audit Act of 1984 (PL 98-502) and Office of Management and Budget (OMB) new guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (aka Super Circular)

4. The Firm will conduct the audit examination at the fund type level for the purpose of expressing an unqualified opinion on all "Basic Financial Statements" of the City, as set forth in the Governmental Accounting Standards Board (GASB) and pronouncements of the National Council on Governmental Accounting, and as further interpreted in the Governmental Accounting, Auditing and Financial Reporting (GAAFR) publication. The Firm will perform their audit of the City's financial statements in accordance with generally accepted auditing standards and accordingly, will include such tests as considered necessary in the circumstances. Unless unusual conditions not now foreseen make it impracticable to do so, the Firm will submit a report on its examination of the City's financial statements which will express an opinion as to the fairness of their presentation in conformity with generally accepted accounting principles. If unable to express an unqualified opinion, the Firm shall notify the City Manager immediately, in writing, with copies to the City Commission stating the reasons therefore. The auditor is not required to audit the combining, individual fund and schedules. However, the auditor is to provide an "in relation to" report on the combining and individual fund financial statements and schedules based on the auditing procedures adopted during the audit of the basic financial statements. The auditor is not required to audit the statistical section of the report. In addition to the Independent Audit Report, the Firm agrees to prepare the following reports:

a) Report on Supplementary Information Schedule of Federal Financial Assistance.

b) Single Audit Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs (if total annual Federal and State grant assistances amounts equal \$750,000).

c) Single Audit Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs (if total annual Federal and State grant assistances amounts equal \$750,000).

d) Single Audit on Compliance with the Specific Requirements Applicable to Major Federal Financial Assistance Programs (if total annual Federal and State grant assistances amounts equal \$750,000).

e) Report on the Internal Control Structure Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards.

f) Report on Compliance Based on and Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards.

g) Report on Bond Compliance (as applicable).

h) Report on Debt Compliance (as applicable).

i) Application of auditing procedures to certain supplementary information directly underlying accounting and other records to prepare the financial statements or to be financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America and to provide an opinion on it in relation to the financial statements as a whole, such as:

1) Detail Schedule of Revenue and Expenses – Electric, Water, Sewer System and Sanitation

2) Schedule of Insurance Coverage

j) Other Supplementary Information required by generally accepted accounting principles subjected to certain limited procedures but not audited, such as:

1) Management's Discussion and Analysis

2) Budgetary Schedule – General Fund

3) Budgetary Schedule – Special Revenue Fund

4) Schedule of Funding Progress and Employer Contributions – Employee Pension Fund

5) Schedule of Funding Progress and Employer Contributions – Post Employment Benefits other than Pension.

5. The Firm agrees to prepare and type, in "printer's proof" format the audit opinion, report on internal control, compliance report, management letter, single audit reports, and other required reports.

6. The auditor in charge of the engagement must be available to attend both the audit committee meeting previous to the public meeting with Commission and the public meeting with the Commission to present the final report.

7. The Firm agrees to perform a substantial portion of the audit on City premises. The City agrees to furnish adequate working space that is well-lighted, reasonably comfortable and reasonably approximate to accounting records.

8. The Firm agrees to provide all equipment, materials supplies and personnel services to perform the audit. The City agrees to provide, at no cost, all photocopying necessary to perform the audit.

9. By submitting a proposal, the Firm acknowledges that during the proposal period the City may add or delete funds, incur additional debt, engage in new governmental ventures, and otherwise modify or expand its current operations. Modifications to the existing contract terms should not be necessary unless the changes are significant to the City as a whole and require substantial changes in the audit plan or scope.

EXHIBIT B

PRICE PROPOSAL FORM

The Proposer proposes and agrees, if this proposal is accepted to contract with the City in the form of the work in full and complete accordance with the Scope of Services and Contract Documents to the full and entire satisfactions of the City, with a definite understanding that no money will be allowed for extra work except as set forth in the RFP documents.

AUDIT FEES:

Fiscal Year 2023 Basic Audit:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2023 Single Audit if required:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2024 Basic Audit:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2024 Single Audit if required:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2025 Basic Audit:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2025 Single Audit if required:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2026 Basic Audit:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2026 Single Audit if required:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2027 Basic Audit:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			

Fiscal Year 2027 Single Audit if required:

Level of Personnel in the Firm	Estimated Hours	Hourly Rates	Total Fee
Partner /Director			
Manager			
Specialist			
Supervisory Staff			
Administrative Staff			
Total Hours			
	Audit Discount if applicable		
	Total Audit Fee:		
Estimated Out of Pocket expenses to be reimbursed			