

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

**Meeting Date:**      April 8, 2025      ☒ **Consent**      ☐ **Regular**  
                                                                          ☐ **Workshop**      ☐ **Public Hearing**

**Department:**      Office of Financial Management & Budget (OFMB)

**I. Executive Brief**

**Motion and Title:** Staff recommends motion to approve: a Second Amendment to the Contract for audit services with RSM US LLP (RSM), exercising a final two (2)-year renewal for \$1,832,448 for services to be completed by July 31, 2027. If extended, the total contract for the seven (7) years will be \$6,146,528.

**Summary:** On June 2, 2020, the Board of County Commissioners (BCC) approved a contract with RSM for three (3) years with two (2), two (2)-year renewal options for a potential seven (7) year contract. On April 5, 2022, the BCC exercised the first of the two (2), two (2)-year renewal options, instructing staff to bring the item back to the BCC for consideration of the final renewal option. Staff is recommending exercising the final two (2)-year renewal option being that RSM was chosen by the selection committee in large part due to their having a significant number of large clients similar in size to Palm Beach County, and appreciable experience in serving those clients. The contract includes a 25% Small Business Enterprise (SBE) participation of which 10% is with eligible Minority/Women/Business Enterprise (M/WBE) firms. Since the initial contract began in 2020, RSM has met the SBE and M/WBE participation goals. The M/WBE firms are Ward & Company, P.A. and Mark Escoffery, P.A.. RSM has been the County's external auditor for the past 19 years. **Countywide (DB)**

**Background and Justification:** Pursuant to § 218.391(4)(b), Florida Statutes, when compensation is one of the factors considered by a selection committee, as was the case here, the governing body shall select the highest-ranked qualified firm or must document in its public records the reason for not selecting the highest-ranked qualified firm. Pursuant, to § 218.391, Florida Statutes, on April 28, 2020 a six (6) member committee composed of representatives of each of the Constitutional Officers and the BCC was established to evaluate proposals for a new audit contract and make a recommendation to the BCC. Five (5) proposals were received and one (1) was deemed non-responsive. The Committee voted to rank RSM US LLP as number one, with five (5) of the six (6) selection committee members ranking them number one. On June 2, 2020, the BCC approved a contract with RSM for three (3) years with two (2), two (2)-year renewal options for a potential seven (7) year contract. Staff is recommending exercising the final two (2)-year renewal option.

**Attachments:**

1. Amendment (3 originals)
2. Original Contract
3. First Amendment Contract

<b>Recommended by:</b>	 <b>Sherry Brown</b> <small>Digital signed by Sherry Brown              DN: cn=Sherry Brown, o=Palm Beach County, ou=Enterprise, ou=FMB, ou=Users, cn=Sherry Brown, email=Sherry.Brown@pbcgov</small> <small>I am the author of this document</small> <small>2025.04.18 14:20:48-0400</small> <small>Post PDF Editor Version: 12.1.0</small>	<b>Date</b>
<b>Approved By:</b>	 <b>County Administrator</b>	<b>3/19/25</b> <b>Date</b>

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	<u>916,224</u>	<u>916,224</u>	_____	_____
Debt Service Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____
<b>NO. ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is item included in Current Budget? Yes ☐ No ☒  
 Is this item using Federal Funds? Yes ☐ No ☒  
 Is this item using State Funds? Yes ☐ No ☒

**Budget Account No.:** Fund 0001 Department 760 Unit 7601 Object 3201

### B. Recommended Sources of Funds/Summary of Fiscal Impact:

Funds will be provided during the annual budget process.

### C. Departmental Fiscal Review:

*P. R. R. R. R.* 3/6/25  
*OR 3/13*

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Dev. and Control Comments:

*Shan Mat* 3/13/2025  
 OFMB

*Brinda Znach* 3/14/25  
 Contract Dev. and Control  
*OR 3.14.25*

### B. Legal Sufficiency:

*R* 3/18/25  
 Assistant County Attorney

### C. Other Department Review:

N/A  
 Department Director

(This summary is not to be used as a basis for payment)

**SECOND AMENDMENT  
TO CONTRACT FOR  
AUDIT SERVICES  
(Contract No. 20-048/DP)**

This Second Amendment, dated April 8, 2025 is to Contract No. 20-048/DP (R-2020-0613) between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as the COUNTY, and RSM US LLP, located at 1555 Palm Beach Lakes Blvd., Suite 700, West Palm Beach, FL 33401 a Limited Liability Partnership authorized to do business in the State of Florida, hereinafter referred to as the AUDITOR.

**WHEREAS**, the parties entered into that certain Contract dated June 2, 2020, hereinafter referred to as the "Contract", whereby the AUDITOR has agreed to provide professional consultation services in the area of external audit to the Office of Financial Management & Budget; and

**WHEREAS**, the parties desire to exercise the second option for renewal of the Contract for the period August 1, 2025, through July 31, 2027, to include, among other things, the countywide audit of fiscal years 2025 and 2026; and

**WHEREAS**, the parties desire to modify ARTICLE 4 – PAYMENTS TO AUDITOR, paragraph A, to increase the authorized not-to-exceed total contract amount by One Million Eight Hundred Thirty-Two Thousand Four Hundred Forty-Eight Dollars and no cents (\$1,832,448.00) to compensate for such additional services.

**NOW THEREFORE**, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. ARTICLE 3 – SCHEDULE is hereby amended to read as follows:

"The AUDITOR shall commence services on July 1, 2020, and complete all services by July 31, 2027.

Reports and other items shall be delivered and/or completed in accordance with Exhibit A."

2. ARTICLE 4 – PAYMENTS TO AUDITOR, paragraph A, is hereby amended to read as follows:

"A. The total amount to be paid by the COUNTY under this Contract for all services and materials shall not exceed a total contract amount of Six Million

One Hundred Forty-Six Thousand, Five Hundred Twenty-Eight Dollars (\$6,146,528), comprised of Two Million Five Hundred Eighty-Eight Thousand Four Hundred Forty-Eight Dollars and no cents (\$2,588,448.00) for the period July 1, 2020, through July 31, 2023; One Million Seven Hundred Twenty-Five Thousand Six Hundred Thirty-Two Dollars and no cents (\$1,725,632.00) for the period August 1, 2023, through July 31, 2025; and One Million Eight Hundred Thirty-Two Thousand Four Hundred Forty-Eight Dollars and no cents (\$1,832,448.00) for the period August 1, 2025, through July 31, 2027.

The COUNTY agrees to compensate the Auditor in accordance with the fee schedule set forth in the Exhibit B, Appendix A, Price Proposal Pages. The total and cumulative amount of this contract shall not exceed the amounts of funds annually budgeted for these services.”

3. EXHIBIT A, SCOPE OF WORK/SERVICES, Section I. PERIODS TO BE EXAMINED, is hereby amended such that the audit engagement will cover the additional fiscal years ending September 30, 2025, and September 30, 2026, which shall include the AUDITOR performing the countywide audits for those additional fiscal years, as well as any other services identified in the Contract.
4. All other provisions of said Contract, dated June 2, 2020, are hereby confirmed and, except as provided herein, are not otherwise altered or amended and shall remain in full force and effect.
5. In accordance with Palm Beach County Code Chapter 2, Article II, Section 2.51, as amended, this SECOND AMENDMENT shall not take effect until executed by the AUDITOR and COUNTY.

**THE REST OF THIS PAGE IS LEFT BLANK INTENTIONALLY**


IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Contract on behalf of the COUNTY and AUDITOR has hereunto set its hand the day and year above written.


ATTEST:  
JOSEPH ABRUZZO  
CLERK AND COMPTROLLER

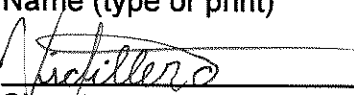
PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS:

By: \_\_\_\_\_  
Deputy Clerk


By: \_\_\_\_\_  
Maria Marino, Mayor

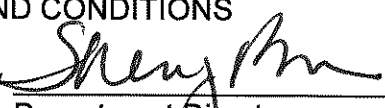
WITNESS:  
  
Signature  
Carol Bliss  
Name (type or print)

AUDITOR  
RSM US LLP  
Company Name  
  
Signature

  
Signature  
Victoria Tillerio  
Name (type or print)

Brett Friedman  
Typed Name  
Partner  
Title

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY  
By  \_\_\_\_\_  
County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS  
By  \_\_\_\_\_  
Department Director

R2020 0613

**CONTRACT FOR  
AUDIT SERVICES  
(Contract No. 20-048/DP)**

This Contract No. 20-048/DP is made as of this \_\_\_\_\_ day of JUN 02 2020, 2020, by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of Commissioners, hereinafter referred to as the COUNTY, and RSM US LLP, 1555 Palm Beach Lakes Blvd., Suite 700, West Palm Beach, FL 33401, a Limited Liability Partnership authorized to do business in the State of Florida, hereinafter referred to as the AUDITOR.

In consideration of the mutual promises contained herein, the COUNTY and the AUDITOR agree as follows:

**ARTICLE 1 - SERVICES**

The AUDITOR's responsibility under this Contract is to provide professional consultation services in the area of external audit to the Office of Financial Management & Budget in accordance with Exhibit A, Scope of Work/Services, and Exhibit B, AUDITOR's proposal dated March 16, 2020, as supplemented by AUDTOR's written response dated April 24, 2020, both of which are attached hereto and incorporated herein.

The AUDITOR will examine the books and records of the COUNTY, including those of the Constitutional Officers and various enterprise agencies of the County and provide audit opinions, management letters and other reports, all as detailed in Exhibit A, Scope of Work/Services, attached hereto and incorporated herein.

COUNTY acknowledges that AUDITOR, prior to specific audits, intends to memorialize the specifics of each audit in certain Arrangement Letters, which shall not deviate or conflict with any of the terms in this Contract. To the extent that a term in any Arrangement Letter conflicts with any term in this Contract, the terms of this Contract shall govern.

The COUNTY's representative/liaison during the performance of this Contract shall be Sherry Brown, Director, Office of Financial Management & Budget, telephone number (561) 355-4626 or designee.

The AUDITOR's representative/liaison during the performance of this Contract shall be Brett Friedman, Partner, telephone number (954) 356-5721.

**ARTICLE 2 - ORDER OF PRECEDENCE**

Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence: (1) the provisions of the Contract, including Exhibits A and C; (2) the provisions of RFP No. 20-048/DP and all Amendments thereto, which are incorporated into and made a part of this Contract; (3) Exhibit B, AUDITOR's proposal dated March 16,

2020, as supplemented by AUDITOR's written response dated April 24, 2020, and any Arrangement Letters entered into in accordance with ARTICLE 1 above; and (4) all other documents, if any, cited herein or incorporated herein by reference.

### **ARTICLE 3 - SCHEDULE**

The AUDITOR shall commence services on July 1, 2020, and complete all services by July 31, 2023, with two (2) two (2) year options for renewal at the sole discretion of the COUNTY).

Reports and other items shall be delivered and/or completed in accordance with Exhibit A.

### **ARTICLE 4 - PAYMENTS TO AUDITOR**

- A. The total amount to be paid by the COUNTY under this Contract for all services and materials shall not exceed a total contract amount of Two Million Five Hundred Eighty-Eight Thousand Four Hundred Forty-Eight Dollars and no cents (\$2,588,448.00).

The COUNTY agrees to compensate the AUDITOR in accordance with the fee schedule set forth in the Exhibit B, Appendix A, Prices Proposal Pages. The total and cumulative amount of this contract shall not exceed the amount of funds annually budgeted for these services.

- B. AUDITOR shall send **ALL ORIGINAL** invoices to: PALM BEACH COUNTY FINANCE DEPT., P.O. BOX 4036, WEST PALM BEACH, FL 33402-4036, with a copy to the COUNTY's representative. Invoices received from the AUDITOR pursuant to this Contract will be reviewed and approved by the COUNTY's representative, indicating that services have been rendered in conformity with the Contract. Approved invoices will be sent to the Finance Department for payment. Invoices will normally be paid within thirty (30) days following approval by the COUNTY's representative. Invoices submitted on carbon paper shall not be accepted. In order for the COUNTY to make payment, the AUDITOR must ensure that the following information included on Appendix B, Business Information, of Exhibit B, AUDITOR's proposal, must be exactly the same as it appears on the invoice and in the COUNTY's Vendor Self Service (VSS) System, which can be accessed at <https://pbcvssp.co.palm-beach.fl.us/webapp/vssp/AltSelfService>: Vendor's Legal Name, Vendor's Address, and Vendor's TIN/FEIN Number.
- C. Final Invoice: In order for both parties herein to close their books and records, the AUDITOR will clearly state "final invoice" on the AUDITOR's final/last billing to the COUNTY. In addition, a final summary of hours for each entity/unit and single audit by RSM and subcontractors will be provided. This shall constitute AUDITOR's certification that all services have been properly performed and all

charges and costs have been invoiced to the COUNTY. Any further charges, if not properly included on this final invoice, are waived by the AUDITOR.

- D. In order to do business with Palm Beach County, AUDITORS are required to create a Vendor Registration Account OR activate an existing Vendor Registration Account through the Purchasing Department's Vendor Self Service (VSS) System, which can be accessed at <https://pbcvssp.co.palm-beach.fl.us/webapp/vssp/AltSelfService>. If AUDITOR intends to use subcontractors/subconsultants, AUDITOR must also ensure that all subcontractors/subconsultants are registered as contractors/consultants in VSS. All subcontractor/subcontractor agreements must include a contractual provision requiring that the subcontractor/subconsultant register in VSS. COUNTY will not finalize a contract award until the COUNTY has verified that the AUDITOR and all of its subcontractors/subconsultants are registered in VSS.

#### **ARTICLE 5 - PALM BEACH COUNTY OFFICE OF THE INSPECTOR GENERAL AUDIT REQUIREMENTS**

Pursuant to Palm Beach County Code, Section 2-421 - 2-440, as amended, Palm Beach County's Office of Inspector General is authorized to review past, present and proposed COUNTY contracts, transactions, accounts, and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of entities contracting with the COUNTY, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 – 2-440, and punished pursuant to Section 125.69, F.S., in the same manner as a second degree misdemeanor.

#### **ARTICLE 6 - TRUTH-IN-NEGOTIATION CERTIFICATE/MOST FAVORED CUSTOMER**

Signature of this Contract by the AUDITOR shall also constitute the execution of a truth-in-negotiation certificate certifying that the wage rates, over-head charges, and other costs used to determine the compensation provided for in this Contract are accurate, complete, and current as of the date of the Contract and no higher than those charged the AUDITOR's most favored customer for the same or substantially similar service.

The said rates and costs shall be adjusted to exclude any significant sums should the COUNTY determine that the rates and costs were increased due to inaccurate, incomplete, or noncurrent wage rates or due to inaccurate representation(s) of fees paid to outside contractors. The COUNTY shall exercise its rights under this Article 6 within three (3) years following final payment.

Furthermore, the AUDITOR warrants that the price(s) shall not exceed the AUDITOR's price(s) extended to its most favored customer for the same or similar goods or services in similar quantities, or the current market price, whichever is lower. In the event the



AUDITOR offers more favorable pricing to one of its customer(s), the AUDITOR shall extend to the COUNTY the same pricing or the then current market price, whichever is lower.

#### **ARTICLE 7 - TERMINATION**

- A. This Contract may be terminated by the AUDITOR upon sixty (60) days prior written notice to the COUNTY in the event of substantial failure by the COUNTY to perform in accordance with the terms of this Contract through no fault of the AUDITOR.
- B. This Contract may also be terminated, in whole or in part, by the COUNTY, **with cause** upon five (5) business days written notice to the AUDITOR or **without cause** upon ten (10) business days written notice to the AUDITOR. Unless the AUDITOR is in breach of this Contract, the AUDITOR shall be paid for services rendered to the COUNTY's satisfaction through the date of termination.
- C. After receipt of a Termination Notice, except as otherwise directed by the COUNTY, in writing, the AUDITOR shall:
  - 1. Stop work on the date and to the extent specified.
  - 2. Terminate and settle all orders and subcontracts relating to the performance of the terminated work.
  - 3. Transfer all work in process, completed work, and other materials related to the terminated work to the COUNTY.
  - 4. Continue and complete all parts of the work that have not been terminated.

#### **ARTICLE 8 - PERSONNEL**

The AUDITOR represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the COUNTY.

All of the services required hereinunder shall be performed by the AUDITOR, or under its supervision, and all personnel engaged in performing the services shall be fully qualified and, if required, authorized or permitted under state and local law to perform such services.

Any changes or substitutions in the AUDITOR's key personnel, as may be listed in Exhibit B, attached hereto and incorporated herein, must be made known to the COUNTY's representative and written approval must be granted by the COUNTY's representative before said change or substitution can become effective.

The AUDITOR warrants that all services shall be performed by skilled and competent personnel to the highest professional standards in the field.

All of the AUDITOR's personnel (and all subcontractors) will comply with all COUNTY requirements governing conduct, safety, and security while on COUNTY premises.

**ARTICLE 9 - CRIMINAL HISTORY RECORDS CHECK**

The AUDITOR, AUDITOR 's employees, subcontractors of AUDITOR and employees of subcontractors shall comply with Palm Beach County Code, Section 2-371 – 2-377, the Palm Beach County Criminal History Records Check Ordinance ("Ordinance"), for unescorted access to critical facilities ("Critical Facilities") or criminal justice information facilities ("CJI Facilities") as identified in Resolution R-2013-1470 and R-2015-0572, as amended. The AUDITOR is solely responsible for understanding the financial, schedule, and/or staffing implications of this Ordinance. Further, the AUDITOR acknowledges that its Contract price includes any and all direct or indirect costs associated with compliance with this Ordinance, except for the applicable FDLE/FBI fees that shall be paid by the COUNTY.

This Contract may include sites and/or buildings, which have been designated as either "critical facilities" or "criminal justice information facilities" pursuant to the Ordinance and above referenced Resolutions, as amended. COUNTY staff representing the COUNTY department will contact the AUDITOR(s) and provide specific instructions for meeting the requirements of this Ordinance. Individuals passing the background check will be issued a badge. The AUDITOR shall make every effort to collect the badges of its employees and its subcontractors' employees upon conclusion of the contract and return them to the COUNTY. If the AUDITOR or its subcontractor(s) terminates an employee who has been issued a badge, the AUDITOR must notify the COUNTY within two (2) hours. At the time of termination, the AUDITOR shall retrieve the badge and shall return it to the COUNTY in a timely manner.

The COUNTY reserves the right to suspend the AUDITOR if the AUDITOR: 1) does not comply with the requirements of County Code Section 2-371 – 2-377, as amended; 2) does not contact the COUNTY regarding a terminated AUDITOR employee or subcontractor employee within the stated time; or 3) fails to make a good faith effort in attempting to comply with the badge retrieval policy.

**ARTICLE 10 - SUBCONTRACTING**

The COUNTY reserves the right to accept the use of a subcontractor, or to reject the selection of a particular subcontractor, and to inspect all facilities of any subcontractors in order to make a determination as to the capability of the subcontractor to perform properly under this Contract. The AUDITOR is encouraged to seek additional small business enterprises (SBEs) for participation in subcontracting opportunities. If the AUDITOR uses any subcontractors on this project, the following provisions of this Article shall apply:

- A. If the AUDITOR uses subcontractors, AUDITOR must ensure that all subcontractors are registered as vendors in the COUNTY's Vendor Self Service System. All subcontractor agreements must include a contractual provision requiring that the subcontractor register in the COUNTY's Vendor Self Service System.
- B. If a subcontractor fails to perform or make progress, as required by this Contract, and it is necessary to replace the subcontractor to complete the work in a timely fashion, the AUDITOR shall promptly do so, subject to acceptance of the new subcontractor by the COUNTY.

#### **ARTICLE 11 - EQUAL BUSINESS OPPORTUNITY PROGRAM COMPLIANCE - PENALTIES**

It is the policy of the Board of County Commissioners that all segments of its business population including, but not limited to, small, local, minority and women owned businesses, have an equitable opportunity to participate in the COUNTY's procurement process, prime contract and subcontract opportunities. In pursuance of that policy, the Board of County Commissioners adopted an Equal Business Opportunity (EBO) Ordinance which is codified in Sections 2-80.20 through 2-80.30 (as may be amended) of the Palm Beach County Code. The EBO Ordinance sets forth the COUNTY's requirements for the EBO program, and is incorporated herein and made part of this Contract. Non-compliance with the EBO Ordinance must be corrected within fifteen (15) days of notice of non-compliance. Failure to comply with the EBO Ordinance may result in any of the following penalties:

- Suspension of Contract;
- Withholding of funds;
- Termination of the Contract based upon a material breach of contract pertaining to the EBO Program compliance;
- Suspension or debarment of AUDITOR from eligibility for providing goods or services to the COUNTY for a period not to exceed three (3) years; and
- Liquidated damages equal to the difference in dollar value of S/M/WBE participation as committed to in the Contract, and the dollar value of S/M/WBE participation as actually achieved, if applicable.

The AUDITOR must adhere to the Affirmative Procurement Initiatives (APIs), if any, as incorporated herein as Exhibit C. Failure to comply with this Article 11 is a material breach of this Contract.

- i. AUDITOR shall report all subcontractor payment information on EBO Schedules 3(A) and 4, or as otherwise required by EBO, and, when the EBO portal is available, input subcontractor payment information directly into the COUNTY's contract management system.

AUDITOR shall pay subcontractors undisputed amounts within ten (10) days after COUNTY pays the AUDITOR. In the event of a disputed invoice, the AUDITOR

shall send the subcontractor(s) and COUNTY a written notice of the dispute within five (5) days after receipt of the subject invoice.

- ii. AUDITOR must notify the Office of EBO of changes in S/M/WBE utilization and get prior approval for any substitutions.

The AUDITOR agrees to pay its subcontractors/suconsultants in compliance with the Florida Prompt Payment Act. In the event AUDITOR fails to comply with payments(s) to its subcontractors/subconsultants in accordance with the Florida Prompt Payment Act, AUDITOR shall be subject to any and all penalties and sanctions available under the terms of the EBO Program, its contract with the COUNTY, or any other applicable law.

The Office of EBO has the right to review AUDITOR's records and interview subcontractors/subconsultants.

**Failure to comply with this Article 11 is a material breach of this Contract.**

#### **ARTICLE 12 - FEDERAL AND STATE TAX**

The COUNTY is exempt from payment of Florida State Sales and Use Taxes. The COUNTY will provide an exemption certificate submitted by the AUDITOR. The AUDITOR shall not be exempted from paying sales tax to its suppliers for materials used to fulfill contractual obligations with the COUNTY, nor is the AUDITOR authorized to use the COUNTY's Tax Exemption Number in securing such materials.

The AUDITOR shall be responsible for payment of its own and its share of its employees' payroll, payroll taxes, and benefits with respect to this Contract.

#### **ARTICLE 13 - AVAILABILITY OF FUNDS**

The COUNTY's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the Board of County Commissioners for subsequent fiscal years.

#### **ARTICLE 14 - INSURANCE REQUIREMENTS**

Prior to execution of this Contract, the AUDITOR shall provide evidence of the following minimum required insurance coverage and limits (such as through a Certificate of Insurance) to COUNTY, c/o Purchasing Department, 50 South Military Trail, Suite 110, West Palm Beach, FL 33415, Attention: Donna Pagel, Purchasing Manager, until otherwise notified by the COUNTY.

The AUDITOR shall maintain at its sole expense, in full force and effect, at all times during the term of this Contract, insurance coverage and limits (including endorsements) as described herein. Failure to maintain the required insurance shall be considered default of the Contract. The requirements contained herein, as well as

COUNTY's review or acceptance of insurance maintained by AUDITOR, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by AUDITOR under the Contract. AUDITOR agrees to notify the COUNTY at least ten (10) days prior to cancellation, non-renewal or material change to the required insurance coverage. Where applicable, all coverage and endorsements shall apply on a primary and non-contributory basis.

- A. **Commercial General Liability:** AUDITOR shall maintain Commercial General Liability at a limit of liability not less than **\$1,000,000** combined single limit each occurrence. Coverage shall not contain any endorsement(s) excluding Contractual Liability or Cross Liability.
- B. **Workers' Compensation Insurance & Employer's Liability:** AUDITOR shall maintain Workers' Compensation in accordance with Florida Statute Chapter 440. Policy shall include coverage for Employer's Liability.
- D. **Professional Liability:** AUDITOR shall maintain Professional Liability, or equivalent Errors & Omissions Liability, at a limit of liability not less than **\$2,000,000** each occurrence and **\$2,000,000** per aggregate. When a self-insured retention (SIR) or deductible exceeds **\$10,000**, COUNTY reserves the right, but not the obligation, to review and request a copy of AUDITOR's most recent annual report or audited financial statement. For policies written on a "claims-made" basis, AUDITOR warrants the Retroactive Date equals or preceded the effective date of this Contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced, or any other event triggering the right to purchase a Supplement Extended Reporting Period (SERP) during the life of this Contract, AUDITOR shall purchase a SERP with a minimum reporting period not less than three (3) years. The requirement to purchase a SERP shall not relieve the AUDITOR of the obligation to provide replacement coverage. The Certificate of Insurance providing evidence of the purchase of this coverage shall clearly indicate whether coverage is provided on an "occurrence" or "claims - made" form. If coverage is provided on a "claims - made" form the Certificate of Insurance must also clearly indicate the "retroactive date" of coverage.
- E. **Additional Insured Clause:** The Commercial General Liability policy shall be endorsed to include, "Palm Beach County Board of County Commissioners" as an Additional Insured. A copy of the endorsement shall be provided to COUNTY upon request.
- F. **Waiver of Subrogation:** AUDITOR hereby waives any and all rights of Subrogation against the COUNTY, its officers, employees and agents for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, then AUDITOR shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its

equivalent. This Waiver of Subrogation requirement shall not apply to any policy which includes a condition to the policy specifically prohibiting such an endorsement or voids coverage should AUDITOR enter into such an agreement on a pre-loss basis.

- G. **Certificates of Insurance**: Prior to each subsequent renewal of this Contract, within forty-eight (48) hours of a request by COUNTY, and subsequently, prior to expiration of any of the required coverage throughout the term of this Agreement, the AUDITOR shall deliver to the COUNTY, unless otherwise directed by COUNTY, a signed Certificate(s) of Insurance evidencing that all types and amounts of insurance coverage required by this Contract have been obtained and are in full force and effect. The Certificate Holder shall read:

Palm Beach County Board of County Commissioners  
Insurance Compliance  
PO Box 100085 - DX  
Duluth, GA 30096

- H. **Right to Revise or Reject**: COUNTY, by and through its Risk Management Department in cooperation with the contracting/monitoring department, reserves the right to review, modify, reject, or accept any required policies of insurance, including limits, coverages, or endorsements, herein from time to time throughout the term of this Contract. COUNTY reserves the right, but not the obligation, to review and reject any insurer providing coverage because of its poor financial condition or failure to operate legally.

#### **ARTICLE 15 - INDEMNIFICATION**

AUDITOR shall protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officials harmless from and against any and all claims, liability, loss, expense, cost, damages, or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during and as a result of their negligent performance of the terms of this Contract or due to the negligent acts or omissions of AUDITOR.

#### **ARTICLE 16 - SUCCESSORS AND ASSIGNS**

The COUNTY and the AUDITOR each binds itself and its partners, successors, executors, administrators and assigns to the other party of this Contract and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Contract. Except as above, neither the COUNTY nor the AUDITOR shall assign, sublet, convey, or transfer its interest in this Contract, without the prior written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the COUNTY, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the COUNTY and the AUDITOR.

## **ARTICLE 17 - REMEDIES**

This Contract shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Contract will be held in a court of competent jurisdiction located in Palm Beach County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law, or in equity, by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

No provision of this Contract is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Contract, including but not limited to any citizen or employees of the COUNTY and/or AUDITOR.

## **ARTICLE 18 - CONFLICT OF INTEREST**

The AUDITOR represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance or services required hereunder, as provided for in Chapter 112, Part III, F.S. and the Palm Beach County Code of Ethics. The AUDITOR further represents that no person having any conflict of interest shall be employed for said performance or services.

The AUDITOR shall promptly notify the COUNTY's representative, in writing, by certified mail, of all potential conflicts of interest for any prospective business association, interest or other circumstance which may influence, or appear to influence, the AUDITOR's judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the AUDITOR may undertake and request an opinion of the COUNTY as to whether the association, interest or circumstance would, in the opinion of the COUNTY, constitute a conflict of interest if entered into by the AUDITOR. The COUNTY agrees to notify the AUDITOR of its opinion by certified mail within thirty (30) days of receipt of notification by the AUDITOR. If, in the opinion of the COUNTY, the prospective business association, interest or circumstance would not constitute a conflict of interest by the AUDITOR, the COUNTY shall so state in the notification and the AUDITOR shall, at its option, enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the COUNTY by the AUDITOR under the terms of this Contract.

## **ARTICLE 19 – PERFORMANCE DURING EMERGENCIES / EXCUSABLE DELAYS**

The AUDITOR shall not be considered in default by reason of any failure in performance if such failure arises out of causes reasonably beyond the control of the AUDITOR, or its subcontractor(s), and without their fault or negligence. Such causes include, but are not limited to: acts of God; force majeure; natural or public health emergencies; labor disputes; freight embargoes; and abnormally severe and unusual weather conditions.

Upon the AUDITOR's request, the COUNTY shall consider the facts and extent of any failure to perform the work; and, if the AUDITOR's failure to perform was without it or its subcontractors' fault or negligence, the Contract Schedule and/or any other affected provision of this Contract shall be revised accordingly, subject to the COUNTY's rights to change, terminate, or stop any or all of the work at any time.

Notwithstanding anything in the foregoing to the contrary, the AUDITOR agrees and promises that, immediately preceding, during and after a public emergency, disaster, hurricane, flood, or act of God, the COUNTY shall be given "first priority" for all goods and services under this Contract. AUDITOR agrees to provide all goods and services to the COUNTY immediately preceding, during and after a public emergency, disaster, hurricane, flood, or act of God, at the terms, conditions, and prices as provided in this Contract on a "first priority" basis. AUDITOR shall furnish a 24-hour phone number to the COUNTY. Failure to provide the goods or services to the COUNTY on a first priority basis immediately preceding, during and after a public emergency, disaster, hurricane, flood, or act of God, shall constitute breach of Contract and subject the AUDITOR to sanctions from doing further business with the COUNTY.

#### **ARTICLE 20 - ARREARS**

The AUDITOR shall not pledge the COUNTY's credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgment, lien, or any form of indebtedness. The AUDITOR further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Contract.

#### **ARTICLE 21 - DISCLOSURE AND OWNERSHIP OF DOCUMENTS**

The AUDITOR shall deliver to the COUNTY's representative for approval and acceptance, and before being eligible for final payment of any amounts due, all documents and materials prepared by and for the COUNTY under this Contract.

To the extent allowed by Chapter 119, F.S., all written and oral information not in the public domain or not previously known, and all information and data obtained, developed, or supplied by the COUNTY, or at its expense, will be kept confidential by the AUDITOR and will not be disclosed to any other party, directly or indirectly, without the COUNTY's prior written consent, unless required by a lawful court order. All drawings, maps, sketches, programs, data bases, reports and other data developed or purchased under this Contract for the COUNTY, or at the COUNTY's expense, shall be and remain the COUNTY's property and may be reproduced and reused at the discretion of the COUNTY.

The COUNTY acknowledges that AUDITOR subscribes to a program of peer review for maintenance of quality control as required by its profession. As part of this program, engagement files may be selected for review by other professionals under strict rules of confidentiality. The COUNTY's acceptance below constitutes its agreement for disclosure under peer review programs. Additionally, the COUNTY recognizes that



AUDITOR will maintain a copy of any COUNTY information necessary to support its work product generated as a result of its engagement for professional services, solely for reference and archive purposes in accordance with all applicable professional standards, which will remain subject to the obligations of confidentiality herein. All covenants, agreements, representations and warranties made herein, or otherwise made in writing by any party pursuant hereto, including but not limited to any representations made herein relating to disclosure or ownership of documents, shall survive the execution and delivery of this Contract and the consummation of the transactions contemplated hereby.

#### **ARTICLE 22 - INDEPENDENT CONTRACTOR RELATIONSHIP**

The AUDITOR is, and shall be, in the performance of all work, services, and activities under this Contract, an Independent Contractor and not an employee, agent, or servant of the COUNTY. All persons engaged in any of the work or services performed pursuant to this Contract shall at all times, and in all places, be subject to the AUDITOR's sole direction, supervision, and control. The AUDITOR shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the AUDITOR's relationship, and the relationship of its employees, to the COUNTY shall be that of an Independent Contractor and not as employees or agents of the COUNTY.

The AUDITOR does not have the power or authority to bind the COUNTY in any promise, agreement, or representation other than specifically provided for in this Contract.

#### **ARTICLE 23 - CONTINGENT FEE**

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 Contract 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 Contract.

#### **ARTICLE 24 – PUBLIC RECORDS, ACCESS AND AUDITS**

The COUNTY shall have the right to request and review AUDITOR's books and records to verify AUDITOR's compliance with this Contract, adherence to the EBO Program and its proposal. The COUNTY shall have the right to interview subcontractors and workers at the work site to determine Contract compliance. The AUDITOR shall maintain records related to all charges, expenses, and costs incurred in estimating and performing the work for at least five (5) years after completion or termination of the Contract. AUDITOR shall retain all books and records pertaining to this Contract, including, but not limited to, subcontractor payment records, for five (5) years after project completion date. The COUNTY and the Palm Beach County Inspector General shall have access to such records as required in this Article for the purpose of inspection or audit during normal business hours, in Palm Beach County at any reasonable time during the five (5) years.

Notwithstanding anything contained herein, as provided under Section 119.0701, F.S., if the AUDITOR: (i) **provides a service**; and (ii) **acts on behalf of the COUNTY as provided under Section 119.011(2), F.S.**, the AUDITOR shall comply with the requirements of Section 119.0701, F.S., as it may be amended from time to time. The AUDITOR is specifically required to:

- A. Keep and maintain public records required by the COUNTY to perform services as provided under this Contract.
- B. Upon request from the COUNTY's Custodian of Public Records (COUNTY's Custodian) or COUNTY's representative/liaison, on behalf of the COUNTY's Custodian, provide the COUNTY 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 Chapter 119 or as otherwise provided by law. The AUDITOR further agrees that all fees, charges and expenses shall be determined in accordance with Palm Beach County PPM CW-F-002, Fees Associated with Public Records Requests, as it may be amended or replaced from time to time.
- 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 AUDITOR does not transfer the records to the public agency. Nothing contained herein shall prevent the disclosure of or the provision of records to the COUNTY.
- D. Upon completion of the Contract, the AUDITOR shall transfer, at no cost to the COUNTY, all public records in possession of the AUDITOR unless notified by COUNTY's representative/liaison, on behalf of the COUNTY's Custodian, to keep and maintain public records required by the COUNTY to perform the service. If the AUDITOR transfers all public records to the COUNTY upon completion of the Contract, the AUDITOR shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the AUDITOR keeps and maintains public records upon completion of the Contract, the AUDITOR shall meet all applicable requirements for retaining public records. All records stored electronically by the AUDITOR must be provided to COUNTY, upon request of the COUNTY's Custodian or the COUNTY's representative/liaison, on behalf of the COUNTY's Custodian, in a format that is compatible with the information technology systems of COUNTY, at no cost to COUNTY.

AUDITOR acknowledges that it has familiarized itself with the requirements of Chapter 119, F. S., and other requirements of state law applicable to public records not specifically set forth herein. Failure of the AUDITOR to comply with the requirements of this Article, Chapter 119, F.S. and other applicable requirements of state law, shall be a material breach of this Contract. COUNTY shall have the right to exercise any and all remedies available to it for breach of contract, including but not limited to, the right to terminate for cause.

IF THE AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT RECORDS REQUEST, PALM BEACH COUNTY PUBLIC AFFAIRS DEPARTMENT, 301 N. OLIVE AVENUE, WEST PALM BEACH, FL 33401, BY E-MAIL AT [RECORDSREQUEST@PBCGOV.ORG](mailto:RECORDSREQUEST@PBCGOV.ORG) OR BY TELEPHONE AT 561-355-6680.

**ARTICLE 25 – NON-DISCRIMINATION**

**A. Employer Non-Discrimination**

The COUNTY is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R-2017-1770, as may be amended, the AUDITOR warrants and represents that throughout the term of the Contract, including any renewals thereof, all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information. Failure to meet this requirement shall be considered default of the Contract.

**B. Commercial Non-Discrimination**

As a condition of entering into this Contract, the AUDITOR represents and warrants that it will comply with the COUNTY'S Commercial Nondiscrimination Policy as described in Resolution 2017-1770, as amended. As part of such compliance, the AUDITOR shall not discriminate on the basis of race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, disability, or genetic information in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall the AUDITOR retaliate against any person for reporting instances of such discrimination. The AUDITOR shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the COUNTY's relevant marketplace in Palm Beach County. The AUDITOR understands and agrees that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification or debarment of the company from participating in COUNTY contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. AUDITOR shall include this language in its subcontracts.

#### **ARTICLE 26 - AUTHORITY TO PRACTICE**

The AUDITOR 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. Proof of such licenses and approvals shall be submitted to the COUNTY's representative upon request.

#### **ARTICLE 27 - SEVERABILITY**

If any term or provision of this Contract or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Contract, or the application of such terms or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Contract shall be deemed valid and enforceable to the extent permitted by law.

#### **ARTICLE 28 - PUBLIC ENTITY CRIMES**

As provided in F.S. 287.132-133, by entering into this Contract or performing any work in furtherance hereof, the AUDITOR certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof. This notice is required by F.S. 287.133(3)(a).

#### **ARTICLE 29 - SCRUTINIZED COMPANIES**

- A. As provided in F.S. 287.135, by entering into this Contract or performing any work in furtherance hereof, the AUDITOR certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel, pursuant to F.S. 215.4725. Pursuant to F.S.287.135(3)(b), if AUDITOR is found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel, this Contract may be terminated at the option of the COUNTY.
- B. **When contract value is greater than \$1 million:** As provided in F.S. 287.135, by entering into this Contract or performing any work in furtherance hereof, the AUDITOR certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the Scrutinized Companies With Activities in Sudan List or Scrutinized Companies With Activities in The Iran Petroleum Energy Sector List created pursuant to F.S. 215.473 or is engaged in business operations in Cuba or Syria.

If the COUNTY determines, using credible information available to the public, that a false certification has been submitted by AUDITOR, this Contract may be

terminated and a civil penalty equal to the greater of \$2 million or twice the amount of this Contract shall be imposed, pursuant to F.S. 287.135. Said certification must also be submitted at the time of Contract renewal.

### **ARTICLE 30 - MODIFICATIONS OF WORK**

The COUNTY reserves the right to make changes in Scope of Work, including alterations, reductions therein, or additions thereto. Upon receipt by the AUDITOR of the COUNTY's notification of a contemplated change, the AUDITOR shall, in writing: (1) provide a detailed estimate for the increase or decrease in cost due to the contemplated change; (2) notify the COUNTY of any estimated change in the completion date; and (3) advise the COUNTY if the contemplated change shall affect the AUDITOR's ability to meet the completion dates or schedules of this Contract.

If the COUNTY so instructs, in writing, the AUDITOR shall suspend work on that portion of the Scope of Work affected by a contemplated change, pending the COUNTY's decision to proceed with the change.

If the COUNTY elects to make the change, the COUNTY shall initiate a Contract Amendment, and the AUDITOR shall not commence work on any such change until such written amendment is signed by the AUDITOR and approved and executed on behalf of Palm Beach County.

### **ARTICLE 31 - NOTICE**

All notices required in this Contract shall be sent by certified mail (return receipt requested), hand delivered, or sent by other delivery service requiring signed acceptance. If sent to the COUNTY, notices shall be addressed to:

Kathleen M. Scarlett, Director  
Purchasing, Palm Beach County  
50 South Military Trail, Suite 110  
West Palm Beach, FL 33415

With a copy to:

Sherry Brown, Director  
Office of Financial Management & Budget  
Palm Beach County  
Governmental Center

301 N. Olive Ave., 7th Floor  
West Palm Beach, FL 33401

If sent to the AUDITOR, notices shall be addressed to:

Frank Compiani, Partner  
RSM US LLP  
1555 Palm Beach Lakes Blvd. Suite 700  
West Palm Beach, FL 33401

**ARTICLE 32 - ENTIRETY OF CONTRACTUAL AGREEMENT**

The COUNTY and the AUDITOR agree that this Contract sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms, and conditions contained in the Contract may be added to, modified, superseded, or otherwise altered, except by written instrument executed by the parties hereto in accordance with Article 30 - Modifications of Work.

**ARTICLE 33 - REGULATIONS; LICENSING REQUIREMENTS**

The AUDITOR shall comply with all laws, ordinances and regulations applicable to the services contemplated herein, to include those applicable to conflict of interest and collusion. AUDITOR is presumed to be familiar with all federal, state and local laws, ordinances, codes and regulations that may in any way affect the services offered.

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IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Contract on behalf of the COUNTY and AUDITOR has hereunto set its hand the day and year above written.


R2020 0613

ATTEST:

SHARON R. BOCK  
CLERK AND COMPTROLLER

PALM BEACH COUNTY JUN 02 2020  
BOARD OF COUNTY COMMISSIONERS:

By:   
Deputy Clerk

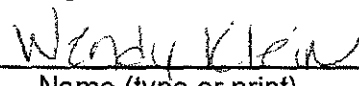
By:   
Dave Kerner, Mayor

WITNESS:

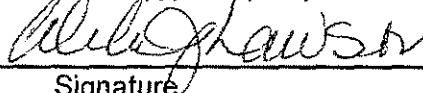
  
Signature

AUDITOR:

RSM US LLP  
Company Name

  
Name (type or print)

By:   
Signature

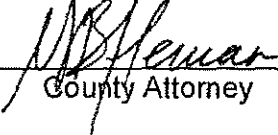
  
Signature

Frank Compiani  
Typed Name


Debra J. LAWSON  
Name (type or print)

Partner  
Title

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

By:   
County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS

By:   
Department Director

**EXHIBIT A**  
**SCOPE OF WORK/SERVICES**  
**Contract No. 20-048/DP**

**I. Periods to be Examined**

The audit engagement will cover each of the fiscal years ending September 30, 2020, 2021, and 2022 (three years) with an option to be exercised by the Board of County Commissioners, the (Board) to renew the contract for up to four (4) additional years at prices to be negotiated after completion and submission of the audit reports for the fiscal year ended September 30, 2022.

**II. Scope of Examination**

**A. Financial Statements**

The examination will be a financial and compliance audit in accordance with Section 11.45, Florida Statutes, in order to express an opinion on an annual basis on the financial statements of the Board, Constitutional Officers and component units included in the Comprehensive Annual Financial Report (CAFR). The first year to be audited will be the fiscal year ending September 30, 2020. The examination should be to the extent necessary for the AUDITOR to express an opinion on the fairness with which the financial statements present the financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles, the requirements of the Single Audit Act of 1984, as amended, the Single Audit Act Amendments of 1996 and the requirements of the Florida Single Audit Act and Chapter 10.550, Rules of the Auditor General.

To this effect, the AUDITORS shall familiarize themselves with and comply with the provisions of any and all federal, state and county orders; statutes; ordinances; charter; bond covenants; administrative code and orders. Rules and regulations that may pertain to the work required in the engagement, include, but shall not be limited to the following:

- Section 218.39(1)(a), Florida Statutes — Annual Financial Audit Report "AFAR"
- Section 218.32(1)(a), Florida Statutes — Annual Financial Report "AFR" for local government entities
- Section 11.45, Florida Statutes and 10.550 Rules of the Auditor General
- Section 218.415, Florida Statutes and 10.554(1)(i)2 Rules of the Auditor General
- AICPA's Audits of State and Local Government Units
- Comptroller General of the U.S.'s Governmental Auditing Standards
- Federal Single Audit Act, OMB Circular A-133 and 2CFR200
- Federal Grant Contract Requirements



- State Grant Contract Requirements
- Section 29.0085, Florida Statutes, Statement of County Funded Court Related Functions
- Florida Single Audit Act Section 215.97, Florida Statutes
- Sections 28.35 and 28.36 , Florida Statutes and 10.554(1)08, Rules of the Auditor General

The statements to be audited will be prepared by the Clerk & Comptroller's Finance Department or other appropriate Constitutional Officer. The AUDITOR will submit any proposed adjusting journal entries to the Finance Department and OFMB or appropriate Constitutional Officer for approval in a timely manner.

COUNTY understands and agrees that the underlying books and records of account must be properly closed as required by Florida Statutes to maintain the independence of the AUDITOR and allow the AUDITOR reasonable time to meet the completion deadlines.

#### **B. Review of Internal Control**

An evaluation is to be made of the system of internal control to assess the extent it can be relied upon to ensure accurate information, to ensure compliance with law and regulations, and to provide for efficient and effective operations. The study of internal control should include:

1. **Review of the system**, which is primarily the process of obtaining information about the organization and the procedures prescribed and is intended to serve as the basis for tests of compliance and for evaluation of the system.
2. **Tests of compliance**, which are made to provide reasonable assurance that the accounting control procedures are being applied as prescribed.
3. **Data Processing Review**, A review is to be made to compare the calculating operations of the computer with the desired results by tests of transactions. A review of controls used in the computer center to assure protection of files and prevention of processing errors and a review of the data processing operation shall be made.

#### **C. Audit Report**

The audit report is to include the AUDITOR's opinion, audited financial statements and management letters. An oral presentation to the Board of County Commissioners or its Audit Committee may be required summarizing the results of the audit report involving the Board of County Commissioners.

### **1. Opinion-Comprehensive Annual Financial Report (CAFR)**

This audit report shall contain an opinion on the general purpose financial statements of the Board, Constitutional Officers and component units as a whole. If an unqualified opinion cannot be expressed, the nature of the qualification should be clearly stated in the opinion. AUDITOR shall provide one signed original of the opinion letter to the Clerk & Comptroller's Financial Reporting Department (Finance Department) for the CAFR.

### **2. Opinion - Auditor General**

This report shall contain separate opinions on the financial statements of the Board and each Constitutional Officer. If unqualified opinions cannot be expressed, the nature of the qualification should be clearly stated in the opinion. AUDITOR shall provide one signed original of each of the opinion letters to the Finance Department for the Annual Financial Audit Report (AFAR).

### **3. Report on Federal and State Grants**

The scope of the examination shall include audits now required by State and Federal authorities (grant audits) including the Single Audit Act of 1994, the Single Audit Act Amendments of 1996 and OMB Circular A-133, 2 CFR 200 (Supercircular) and Rules of the Auditor General. AUDITOR shall provide 20 bound copies, one electronic copy and one unbound copy of the report to OFMB; and one unbound, unnumbered copy to the Finance Department for the AFAR.

### **4. Management Letters**

The AUDITOR shall prepare management letters which shall contain audit findings which, among other matters, may include the following material items discovered within the scope of the audit:

- a. Whether errors or irregularities reported in the preceding audit report have been corrected;
- b. Whether recommendations made in the preceding audit report have been followed;
- c. Recommendations to improve management, accounting procedures, internal controls, and increase efficiency;
- d. Violation of the laws, rules, and regulations discovered within the scope of the audit;

- e. Illegal expenditures discovered within the scope of the audit;
- f. Improper or inadequate accounting procedures;
- g. Failure to properly record financial transactions;
- h. Other inaccuracies, irregularities, shortages, and defalcations discovered by the AUDITOR; and
- i. Whether the Annual Financial Report filed with the State by the Clerk & Comptroller is in agreement with the audited financial statements for the same period and, if not, specify any significant differences.

The drafts of the management letter concerning the operations of the Board of County Commissioners are to be discussed with the County Administrator and the Director of OFMB before issuance in final form. The draft management letter for each constitutional officer will be discussed with the Constitutional Officer or their designated representative before issuance in final form.

The final presentation of the management letter shall be in one combined report to include the Board and Constitutional Officers. AUDITOR shall provide 20 bound copies and one electronic copy of the management letter to OFMB, one bound copy to each Constitutional Officer, and one unbound, unnumbered copy to the Finance Department for the AFAR.

**5. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (the "Internal Control Report")**

The AUDITOR shall prepare separate Internal Control Reports for inclusion in the AFAR for the Board and each of the Constitutional Officers. The report for the Board is an integral part of the Schedule of Expenditures of Federal Awards and State Financial Assistance, also known as the Single Audit. The reports for the five Constitutional Officers are prepared separately and included in the AFAR along with the separate Audit Opinions and Management Letters for each Constitutional Officer.

**6. Report to the Board of County Commissioners**

This report summarizes certain matters required by professional standards to be communicated to the Board in their oversight responsibility for the COUNTY's financial reporting process. AUDITOR shall provide 20 bound copies and one electronic copy to OFMB.

7. Reports On Examination

The audit report shall address the Board of County Commissioners and each Constitutional Officer as separate government agencies for reporting purposes so that the results of financial operations and the compliance with legal and regulatory requirements is readily discernible for the Board and each Constitutional Office as separate entities. The reports on the various accounting entities shall be addressed as follows:

<b>Dave Kerner, Mayor</b> <b>Board of County Commissioners</b> <b>P.O. Box 1989</b> <b>West Palm Beach, FL 33402</b>	<b>Sharon R. Bock, Esq.</b> <b>Clerk &amp; Comptroller</b> <b>301 N. Olive Avenue, 9th Floor</b> <b>West Palm Beach, FL 33401</b>
<b>Dorothy Jacks, CFA</b> <b>Property Appraiser</b> <b>301 N. Olive Avenue</b> <b>West Palm Beach, FL 33401</b>	<b>Rick Bradshaw</b> <b>Sheriff</b> <b>P.O. Box 24681</b> <b>West Palm Beach, FL 33406</b>
<b>Anne M. Gannon, CFC</b> <b>Tax Collector</b> <b>P.O. Box 3715</b> <b>West Palm Beach, FL 33401</b>	<b>Wendy Sartory Link</b> <b>Supervisor of Elections</b> <b>240 South Military Trail</b> <b>West Palm Beach, FL 33415</b>

D. Other Services to be Provided

In addition to the audit of the COUNTY's Financial Statements, the selected AUDITOR will be required to provide additional annual services for the following:

- Statement of County Funded Court Related Functions (Sec 29.0085, FS)
- Separate financial statement opinion audits on Airports and Water Utilities Department - 10 bound copies of each and one electronic copy
- Separate Airport Passenger Facility Charge audit — 10 bound copies and one electronic copy,
- Agreed-upon procedures regarding National Transit Database Reports, Operating Expenses, Form and Urbanized Area Formula Statistics Form — Palm Tran.
- Public Transit Block Grant (CSFA 55.010) related testing and certification for two (2) grants as required by Office of Management (OMB) Circular A-133 and/or the Florida Single Audit Act, Section 215.97 F.S for Palm Tran.
- Tax preparation services related to the Risk Management Department's Quarterly Federal Excise Tax Return.
- Agreed-upon procedures regarding the Voluntary Cleanup Tax Credit (VCTC) audit for the Department of Housing and Economic Sustainability.

The following organizations are presented in the COUNTY's financial statements as component units:

- Solid Waste Authority (SWA) (discrete)
- Housing Finance Authority (HFA) (discrete)
- Westgate/Belvedere Homes Community Redevelopment Agency (CRA) (discrete)
- Transportation Planning Agency, formerly the Metropolitan Planning Organization (discrete) (status may change after 9/30/2019)
- Palm Tran (blended)

The financial statements of the SWA, HFA and the Westgate CRA are currently audited by other Certified Public Accountants, and the scope of services contemplated in this Request for Proposal does not anticipate an examination of their statements of operations. However, AUDITOR will be responsible for incorporating these financial statements into the Palm Beach County Comprehensive Annual Financial Report.

AUDITOR will conduct or arrange for Continuing Professional Education (CPE) Programs by providing a minimum of eight (8) hours of Governmental Accounting and Auditing CPE credit for up to sixty (60) COUNTY and Constitutional Officer employees in each year of the contract including renewal periods. No CPE program fees will be charged to the employees attending such sessions. Other costs such as travel, lodging, lunch costs, and out-of-pocket expenses will be the responsibility of the COUNTY or the Constitutional Officers. These hours shall be provided within 100 miles of West Palm Beach.

#### **E. Other Considerations**

Except as may be otherwise required by Federal or State Grantors all grant audits will be handled as a single audit under the Single Audit Act of 1984, Single Audit Act Amendments of 1996 and Rules of the Auditor General.

In addition, there are a number of audit requirements of various bonded debt obligations. To the extent possible, it is the express intent of the Board and the Constitutional Officers of Palm Beach County that duplication of effort during the audit engagements be avoided and that all audit requirements be encompassed into the countywide audit to the fullest extent possible.

The audits described herein shall include procedures designed to detect errors and irregularities which would have a material effect on the financial statements. To the extent that the AUDITOR detects such material errors and irregularities they will be promptly reported to the County Administrator and the Director of OFMB and the appropriate Constitutional Officer, or designee.

COUNTY expressly permits AUDITOR to consult with the Auditor General of the State of Florida and the federally designated "Cognizant Agency" on any matter pertaining to the Audit which in the judgment of the AUDITOR would be important to the conduct of its examination or its report on the results hereof.

### **III. Additional Services**

If during the contractual period covered by the agreement, additional services, such as grant (above the requirements of the Single Audit Act of 1984, Single Audit Act Amendments of 1996, or the State Auditor General related to state grant-in-aid appropriations) or operational audits are needed, AUDITOR may, at the option of the Board of County Commissioners, be engaged to perform these services under the terms of the contract.

AUDITOR is required to submit rates for additional audit services to be included in the contract. Additional services that are anticipated to equal or exceed \$10,000 will require approval of the Board of County Commissioners. Services anticipated to cost less than \$10,000 may be approved by the Director of OFMB provided that the cumulative total approved by the Director will not exceed \$50,000 in any one fiscal year.

### **IV. Schedule**

#### **A. Field Work**

For the first year of the engagement, planning of the audit field work should commence immediately after the execution of a professional services agreement between the Board and the AUDITOR. Field work should be scheduled in a manner that will allow for completion and submittal of the final reports in accordance with the deadline dates, as well as the Palm Beach County Year End Closing Calendar.

#### **B. Audit Report Deadline and Distribution**

The audit report on the CAFR and the draft management letter, are to be completed each year no later than March 5th. The Auditor General's Report and the management letter, including administrative responses, shall be delivered to OFMB in final form by June 15. The Grants Audit to be performed under the Single Audit Act of 1984, Single Audit Act Amendments of 1996 and Florida Statute 216 shall be delivered in final form by June 15. For all other reports, the deadline is March 31. The audits must be completed in the time frame set forth above. Extensions for time of completion may be allowed for good cause by the COUNTY only if extensions are allowed by Florida Statutes. In any case, time is of the essence. AUDITOR is aware that Florida Laws provide substantial penalties against Counties which do not comply with the Local Government Financial Responsibility Act (F.S. 11.45).

COUNTY understands that the support personnel and other assistance described in section V. below are essential to the timely completion of the audit and agrees to provide all reasonably requested assistance. Failure to provide the assistance agreed to by the AUDITOR and the COUNTY or appropriate Constitutional Officer

at the commencement of or during audit field work shall be cause for extension of deadlines set forth in this section and/or additional compensation to the AUDITOR at the average hourly rate or hourly labor rates stipulated in APPENDIX A.

AUDITOR understands and agrees that COUNTY may issue audited financial statements with AUDITOR's opinion thereon separately from the AUDITOR's management letter comments.

Separate audit exit conferences for discussion of audit findings will be held with the County Administrator and the Director of OFMB for management letter comments pertaining to Board operations and with each Constitutional Officer for comments relating to their respective offices prior to submission of the final management letters. All printing and reproduction costs incurred shall be borne by the AUDITOR.

**C. Working Papers**

For a period of three (3) years after completion of any work provided herein, the AUDITOR's working papers shall be retained. The Board or Constitutional Officers and their representatives shall be entitled, at any time during such three (3) year period, to inspect and reproduce such documents deemed necessary.

**V. Support Personnel**

To the extent possible, COUNTY support personnel will be made available to provide assistance for tasks, such as identifying locations of required records and documentation, gathering needed records and supporting information, and such other audit tasks that will serve to expedite the audit. Please refer to the contact persons identified in the attached Attachments A, B, C, D, E and F. The following employees will be available to provide the necessary assistance:

- A. The Clerk & Comptroller's Chief Operating Office of Finance and other staff are responsible for the preparation of the Comprehensive Annual Financial Report (CAFR), as well as the Annual Financial Audit Report (AFAR) and the Annual Financial Report (AFR).
- B. The Director of Information Systems Services and staff are responsible for the data processing function for the COUNTY.
- C. Any and all employees responsible for financial administration in the COUNTY. In addition, the AUDITOR may communicate with the predecessor auditor to discuss any matters deemed appropriate as prescribed by the American Institute of Certified Public Accountants.
- D. OFMB is responsible for coordination of the Single Audit Report.

**ATTACHMENT A  
TO EXHIBIT A, SCOPE OF WORK/SERVICES  
CONTRACT NO. 20-048/DP**

**BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY**

**1. Contact Person for Additional Information:**

Richard Iavarone, Director of Financial Mgmt., OFMB  
301 N. Olive Avenue  
Suite 702.26  
West Palm Beach, FL 33402  
Phone: (561) 355-4369

**2. Funds, Account Groups, and Associated Governmental Entities to be Audited:**

1 — General Fund  
104 — Special Revenue Funds  
23 — Debt Service Funds  
60 — Capital Projects Funds  
19 — Enterprise Funds (Airport and Water Utilities Department)  
3 — Internal Service Funds  
1-Agency Fund  
Capital Assets  
Long-Term Debt  
Presented Component Units

Note: Fund categories are used for financial reporting and a list is available upon request.

**3. The following Palm Beach County documents are available online as indicated below:**

<https://www.mypalmbeachclerk.com/public-funds/county-financial-reports>

CAFR for fiscal year ended 9/30/2018

AFAR for fiscal year ended 9/30/2018

<http://discover.pbcgov.org/ofmb/Pages/default.aspx>

Single Audit Report

Management Letter



**ATTACHMENT B  
TO EXHIBIT A, SCOPE OF WORK/SERVICES  
CONTRACT NO. 20-048/DP**

**CLERK & COMPTROLLER, PALM BEACH COUNTY**

**1. Contact Persons for Additional Information:**

Paul A. Guzenski, Manager, Finance Services  
301 North Olive Avenue, 2<sup>nd</sup> Floor  
West Palm Beach, Florida 33401  
Phone: (561) 355-3984

**2. Description of Entity and Related Information: Clerk & Comptroller, Palm Beach County, Florida Major Functions:**

Clerk of the Circuit Court  
Clerk to the Board of County Commissioners  
Clerk to the Value Adjustment Board  
County Recorder  
County Comptroller

**3. Accounting & Reporting Information:**

**Accounting System Software: PeopleSoft Reporting  
Level Funds & Account Groups:**

General Fund  
Special Revenue Fund  
Agency Fund

**Accounting Level Funds:**

1 General Fund  
1 Special Revenue Fund  
5 Agency Funds  
1 Capital Asset Fund  
1 Internal Service (Health) Fund

**ATTACHMENT C  
TO EXHIBIT A, SCOPE OF WORK/SERVICES  
CONTRACT NO. 20-048/DP**

**PROPERTY APPRAISER, PALM BEACH COUNTY**

**1. Contact Person for Additional Information:**

Andrea Simon, Director of Finance  
301 N. Olive Avenue  
West Palm Beach, FL 33401  
(561) 355-2865

**2. Funds, and Accounts to be Audited:**

General Fund  
Capital Asset Fund

**ATTACHMENT D  
TO EXHIBIT A, SCOPE OF WORK/SERVICES  
CONTRACT NO. 20-048/DP**

**SHERIFF, PALM BEACH COUNTY**

**1. Contact Person for Additional Information:**

Sherry Mazorra, Director of Finance  
PO Box 24681  
West Palm Beach, FL 33406  
(561) 688-3107

**2. Funds, Accounts and Associated Governmental Entities to be Audited:**

**1 General Fund**

**10 Special Revenue Funds:**

**Federal Law Enforcement Trust Fund-  
Justice Federal Law Enforcement Trust  
Fund - Treasury State Law Enforcement  
Trust Fund Appropriated State Law  
Enforcement Trust Fund Suspense**

**911 Equipment Fund**

**PLICAT —Public Law Enforcement Insurance Combating Auto Theft**

**Juvenile Assessment**

**Fund Inmate Canteen**

**And Welfare Grants**

**Parking Enforcement**

**4 Agency Funds:**

**Inmate**

**Trust Civil Trust**

**Cash Bonds**

**Suspense Revenues**

**2 Account Groups:**

**Capital Asset**

**Long-Term Debt Fund**

**ATTACHMENT E  
TO EXHIBIT A, SCOPE OF WORK/SERVICES  
CONTRACT NO. 20-048/DP**

**TAX COLLECTOR, PALM BEACH COUNTY**

**1. Contact Person For Additional Information:**

Carmen C. Richardson, Chief Financial Officer  
301 North Olive Avenue, 3rd Floor  
West Palm Beach, FL 33401  
Phone: (561) 355-2946  
Fax: (561) 355-3814

**2. Description of Entity and Records to be Audited:**

The Tax Collector's budget for fiscal year 2018-2019; \$71,374,480.

**3. Funds and Accounts to be Audited:**

General Fund  
Agency Fund  
Capital Assets  
Long-Term Debt

**ATTACHMENT F  
TO EXHIBIT A, SCOPE OF WORK/SERVICES  
CONTRACT NO. 20-048/DP**

**SUPERVISOR OF ELECTIONS, PALM BEACH COUNTY**

**1. Contact Person for Additional Information:**

Mark Tatoul, Business Affairs Manager  
240 South Military Trail  
West Palm Beach, FL 33415  
(561) 656-6200

**2. Funds and Accounts to be Audited:**

The revenues and expenditures are accounted for and reported within the stand alone system managed by the Supervisor of Elections.

**General Fund**

**Capital Assets**

**EXHIBIT B**  
**AUDITOR'S PROPOSAL**  
**Dated March 16, 2020**  
**AS SUPPLEMENTED BY AUDITOR'S WRITTEN RESPONSE**  
**Date April 24, 2020**  
**Contract No. 20-048/DP**  
**(112 Pages)**



April 24, 2020

RSM US LLP

1555 Palm Beach Lakes Blvd., Suite 700  
West Palm Beach, FL 33401  
O 561 697 1785  
F 561 697 8056  
[www.rsmus.com](http://www.rsmus.com)

Members of the Selection Committee  
c/o Donna Pagel, Purchasing Manager  
Palm Beach County  
Board of County Commissioners  
Purchasing Department  
50 South Military Trail, Suite 110  
West Palm Beach, FL 33415

Dear members of the selection committee:

RSM US LLP (RSM), along with Caler, Donten, Levine, Cohen, Porter & Veil, P.A. (CDL) and our local small, minority, and women-owned business enterprise (S/M/WBE) partners of Ward & Company, P.A. (Ward) and Mark Escoffery, P.A. (Escoffery) (collectively the RSM team) sincerely appreciate the privilege to serve Palm Beach County, Florida (the County) and value the opportunity to extend our relationship as your external auditors.

We understand from the evaluation meeting that a question was raised asking us to describe "How the project approach would be modified, if needed, in light of the current Coronavirus pandemic? The Coronavirus pandemic has been worse than anyone could have possibly imagined and we realize the effects of it will not subside any time soon. However, we are confident that we would not need to make any significant modifications to our audit approach.

As a public accounting firm, we have always had the capability to provide for part of our workforce to work remotely while traveling to and from clients. However, we made a decision early on utilizing our technology professionals across the country and our service providers to substantially increase our capacity and capabilities to allow our entire workforce of more than 11,000 individuals to simultaneously work 100% remotely. As a result, beginning on Tuesday March 17<sup>th</sup> we closed every one of our physical offices, restricted travel to client sites and directed all of our employees to work remotely. We felt this was the best way to protect both our employees and the employees of our clients across the country. This occurred right at the time we were wrapping up the County CAFR audit and we finished the audit and issuance of the CAFR under these conditions without any significant interruptions.

Since then we have continued to serve all of our clients working 100% remotely relying on the many technology tools our firm utilizes. The tools we outlined in our proposal include our Caseware system, which is our paperless auditing software, RSM ORB technology, which drives automation in our audit to make the audit more efficient, our Collaborate site, which is our secure file sharing site, our Cisco telephone system with Jabber which allows for instant communication with other users in the network, and the use of secure WebEx technology. Between our Caseware platform, WebEx and Cisco Jabber technology, our teams have continued to work cohesively together in real time. While this has shown to be not as efficient as having everyone together in a room, we have found it to be effective and have been starting and completing audits already in this environment over the past 5 weeks, with minimal impact on our original audit plans.

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit [rsmus.com/aboutus](http://rsmus.com/aboutus) for more information regarding RSM US LLP and RSM International.

The current circumstances provide another example of why we believe we are best prepared to serve the County. Given our past experience with the County we already have a thorough understanding of all the key processes and internal control procedures for each Constitutional Officer and the Board of County Commissioners – there would be no learning curve. Having worked with the County for the past several years, we recognize you each have your typical year-end processes and there would likely need to be some minor modifications in the information workflows and communication procedures but nothing that would significantly modify our audit approach.

For example, at the Board, we currently use our Collaborate tool to receive much of the information from you electronically and receive all our confirmation requests electronically from third parties. We have traditionally utilized access to your Trackman system for looking up support for revenue and expenditure transactions for the financial and single audit testwork. We presume arrangements can be made, if necessary, to continue to utilize that system either through a secure remote connection that we can access, or if necessary, by having a member of our team in a safe and secure manner come to the County offices and work on the system in person. For several of the other audit areas including debt, pensions, OPEB, cash and investments, we know given your preparation and supervisory review process, that you utilize hard copy folders and we use them for our testing as well. We are not sure if you would be modifying your preparation approach given the effect of COVID but we are certain there are a variety of ways we can continue to utilize the folders remotely, none of which would cause a significant effect on our approach. For capital assets we realize the support has typically been provided in paper format and we can make arrangements to have someone briefly on site in a safe and secure manner to review the necessary documentation if it could not be obtained electronically, but again, that would not have a significant effect on our audit approach. We can make sure our employees are equipped to both keep themselves safe with proper protective gear, as well as be prepared to wipe down any areas they touch to ensure we maintain our commitment to do everything in our power to make sure we are keeping everyone at our client safe. This would also apply to our testing approach at the major enterprise funds, airports & water utilities where the bulk of information is already provided to us electronically.

For the Clerk, Supervisor and Sheriff, we currently receive all support and information we need electronically through our Collaborate site. For walkthroughs which are typically done in person, we can perform them through WebEx and with the use of screenshots. For the Property Appraiser we typically receive the majority of the support electronically through our Collaborate site, as well. There is some support we usually receive in paper format for accounts receivable/revenue, accounts payable, operating expenses, testing of the tax roll and certain payroll support, however, we believe the majority of that information could be obtained electronically. For payroll testing, we believe we can work with the Property Appraiser's office to either receive the information through our secure Collaborate site in a separate secure folder with limited access as to who can see the folder, or if it is deemed to be the most effective method, we can make arrangements to have a team member come onsite to review the support, following the same precautions we described earlier to keep both our employees and the Property Appraiser's employees as safe as possible. The Tax Collector's audit would be similar. Much of the information is already provided through Collaborate, however certain support for items in the cash, operating expense and accounts payable areas are provided in paper and can either be scanned and sent electronically. If needed, we can coordinate to send someone onsite, as described above, to perform the necessary procedures.

Overall, one item we would be sure to do based on our current experience auditing our clients fully remotely and if unable to occur in person, is to arrange a detailed communication plan consisting of regularly scheduled conference calls or WebEx meetings. So far we have found that brief daily touchpoints have been working well for our clients in this full remote environment and would propose the same going forward. As we typically do, we would be flexible to what each of our key contacts at the Board and each Constitutional Officer would prefer.

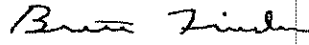


April 24, 2020  
Palm Beach County  
Page 3

In conclusion, given our past experience working with the Board and each Constitutional Officer, the knowledge we already have about your operations, along with our existing heavy reliance on electronic tools for performance of our audit procedures, we believe we would not need to make any significant modifications to our audit approach. One item we would implement would be to establish clear protocols for maintaining continuous communication with each of our key contacts.



Frank Compiani  
Partner



Brett Friedman  
Partner

R2022-0332

**FIRST AMENDMENT  
TO CONTRACT FOR  
AUDIT SERVICES  
(Contract No. 20-048/DP)**

This First Amendment, dated APR 05 2022, 2022 is to Contract No. 20-048/DP (R-2020-0613) between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as the COUNTY, and RSM US LLP, located at 1555 Palm Beach Lakes Blvd., Suite 700, West Palm Beach, FL 33401 a Limited Liability Partnership authorized to do business in the State of Florida, hereinafter referred to as the AUDITOR.

**WHEREAS**, the parties entered into that certain Contract dated June 2, 2020, hereinafter referred to as the "Contract", whereby the AUDITOR has agreed to provide professional consultation services in the area of external audit to the Office of Financial Management & Budget; and

**WHEREAS**, the parties desire to exercise the first option for renewal of the Contract for the period August 1, 2023, through July 31, 2025, to include, among other things, the countywide audit of fiscal years 2023 and 2024; and

**WHEREAS**, the parties desire to modify ARTICLE 4 – PAYMENTS TO AUDITOR, paragraph A, to increase the authorized not-to-exceed total contract amount by One Million Seven Hundred Twenty-Five Thousand Six Hundred Thirty-Two Dollars and no cents (\$1,725,632.00) to compensate for such additional services; and

**WHEREAS**, the COUNTY desires to add ARTICLE 34 - E-VERIFY-EMPLOYMENT ELIGIBILITY in order to comply with F.S. 448.09.

**NOW THEREFORE**, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. ARTICLE 3 – SCHEDULE is hereby amended to read as follows:

"The AUDITOR shall commence services on July 1, 2020, and complete all services by July 31, 2025, with one (1) two (2) year option for renewal at the sole discretion of the COUNTY.

Reports and other items shall be delivered and/or completed in accordance with Exhibit A."

2. ARTICLE 4 – PAYMENTS TO AUDITOR, paragraph A, is hereby amended to read as follows:

“A. The total amount to be paid by the COUNTY under this Contract for all services and materials shall not exceed a total contract amount of Four Million Three Hundred Fourteen Thousand Eighty Dollars (\$4,314,080), comprised of Two Million Five Hundred Eighty-Eight Thousand Four Hundred Forty-Eight Dollars and no cents (\$2,588,448.00) for the period July 1, 2020, through July 31, 2023; and One Million Seven Hundred Twenty-Five Thousand Six Hundred Thirty-Two Dollars and no cents (\$1,725,632.00) for the period August 1, 2023, through July 31, 2025.

The COUNTY agrees to compensate the Auditor in accordance with the fee schedule set forth in the Exhibit B, Appendix A, Price Proposal Pages. The total and cumulative amount of this contract shall not exceed the amounts of funds annually budgeted for these services.”

3. ARTICLE 34 – E-VERIFY – EMPLOYMENT ELEGIBILITY is hereby added to the Contract:

“ARTICLE 34 – E-VERIFY – EMPLOYMENT ELEGIBILITY

AUDITOR warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov) and uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2) has verified that all of AUDITOR's subcontractors performing the duties and obligations of this Contract are registered with the E-Verify System and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

AUDITOR shall obtain from each of its subcontractors an affidavit stating that the subcontractor does not employ, Contract with, or subcontract with an Unauthorized Alien, as that term is defined in section 448.095(1)(k), Florida Statutes, as may be amended. AUDITOR shall maintain a copy of any such affidavit from a subcontractor for, at a minimum, the duration of the subcontractor and any extension thereof. This provision shall not supersede any provision of this Contract which requires a longer retention period.

COUNTY shall terminate this Contract if it has a good faith belief that AUDITOR has knowingly violated Section 448.095(1), Florida Statutes, as may be amended. If COUNTY has a good faith belief that AUDITOR's subcontractor has knowingly violated section 448.095(1), Florida Statutes, as may be amended, COUNTY shall notify AUDITOR to terminate its Contract with the subcontractor and AUDITOR shall immediately terminate

its Contract with the subcontractor. If COUNTY terminates this Contract pursuant to the above, AUDITOR shall be barred from being awarded a future Contract by COUNTY for a period of one (1) year from the date on which this Contract was terminated. In the event of such Contract termination, AUDITOR shall also be liable for any additional costs incurred by COUNTY as a result of the termination."

4. EXHIBIT A, SCOPE OF WORK/SERVICES, Section I. PERIODS TO BE EXAMINED, is hereby amended such that the audit engagement will cover the additional fiscal years ending September 30, 2023, and September 30, 2024, which shall include the AUDITOR performing the countywide audits for those additional fiscal years, as well as any other services identified in the Contract.
5. All other provisions of said Contract, dated June 2, 2020, are hereby confirmed and, except as provided herein, are not otherwise altered or amended and shall remain in full force and effect.
6. In accordance with Palm Beach County Code Chapter 2, Article III, Section 2.51, as amended, this FIRST AMENDMENT shall not take effect until executed by the AUDITOR and COUNTY.

**THE REST OF THIS PAGE IS LEFT BLANK INTENTIONALLY**

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Contract on behalf of the COUNTY and AUDITOR has hereunto set its hand the day and year above written.

ATTEST  
JOSEPH ABRUZZO  
CLERK AND COMPTROLLER  
COUNTY  
FLORIDA  
By: [Signature]  
Deputy Clerk

R2022 0332 APR 05 2022  
PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS:

By: [Signature]  
Robert S. Weinroth, Mayor

WITNESS:  
[Signature]  
Signature  
Russell Adam  
Name (type or print)  
[Signature]  
Signature  
Joaquin Soli  
Name (type or print)

AUDITOR  
RSM US LLP  
Company Name  
[Signature]  
Signature  
Brett Friedman  
Typed Name  
Partner  
Title

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY  
By: [Signature]  
County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS  
By: [Signature]  
Department Director