



MEMORANDUM

To: RFQ 39-15-16 Proposers

From: City of North Miami Purchasing Department

Date: September 7, 2016

RE: RFQ 39-15-16 Independent Auditing Services

Please be advised that the City of North Miami (City) has cancelled the above referenced solicitation. Consequently, the City will be re-advertising for these services as of tomorrow, September 8, 2016, with a submittal deadline of September 23, 2016.

Please feel free to contact our office if you have any questions. Thank you for your interest in doing work for the City of North Miami.



REQUEST FOR QUALIFICATIONS

Independent Auditing Services

RFQ No. 39-15-16

ADDITIONAL INFORMATION & CLARIFICATION DEADLINE

JULY 13, 2016 BY NO LATER THAN 1:00 P.M. (LOCAL TIME)

RESPONSE SUBMISSION DATE AND TIME

JULY 22, 2016 BY NO LATER THAN 3:30 PM (LOCAL TIME)

AT

CITY OF NORTH MIAMI
OFFICE OF THE CITY CLERK
CITY HALL, 1ST FLOOR
776 NE 125TH STREET
NORTH MIAMI, FL 33161-4116

The responsibility for submitting a Response to this Solicitation at the Office of the City Clerk on or before the stated time and date will be solely and strictly the responsibility of the Respondent. The City of North Miami will in no way be responsible for delays caused by the United States mail delivery or caused by any other occurrence.

Copies of this Solicitation Document are available at the City of North Miami's Purchasing Department website at <http://www.northmiamifl.gov/purchasing> and may be obtained by contacting DemandStar by Onvia at www.demandstar.com or calling toll free 1-800-711-1712 and request Document RFQ No. 39-15-16.

Contact Person: Heylicken Espinoza, Buyer
Email: purchasing@northmiamifl.gov | Phone: (305) 895-9886



The City of North Miami, Florida, hereinafter referred to as "City", is hereby seeking proposals from Certified Public Accounting firms to provide independent auditing services.

Please submit one (1) original bound Proposal, five (5) complete copies of the original Proposal and one (1) digital compact disk (CD) or USB Flash Drive either by mail or hand delivery in response to this Solicitation. Proposals are to be submitted in a sealed envelope bearing the name of the individual and/or company, and the address as well as the number and title of this Solicitation by no later than the date and time stipulated in the Solicitation Timetable below. Proposals received after the Submittal Deadline noted below will not be considered and no time extensions will be permitted. Proposals must be addressed to the City of North Miami, Office of the City Clerk, 776 N E 125th Street, North Miami, Florida 33161. Please clearly mark Proposals as follows:

"IMPORTANT, SOLICITATION ENCLOSED"
Independent Auditing Services
RFQ No. 39-15-16

The City's tentative schedule for this Solicitation is as follows:

| Event | Date | Time |
|---|---------------|---------|
| Advertisement Date: | June 29, 2016 | |
| Last Date for Receipt of Written Questions: | July 13, 2016 | 1:00 pm |
| Opening of Solicitation: | July 22, 2016 | 3:30 pm |
| Evaluation Committee Interviews: | TBD | |
| City Council Contract Approval Date: | TBD | |

(The City reserves the right to delay or modify scheduled dates and will notify Respondents of all changes in scheduled dates.)

Copies of this Solicitation Document are available at the City of North Miami's Purchasing Department website at <http://www.northmiamifl.gov/purchasing> and may be obtained by contacting DemandStar by Onvia at www.demandstar.com or calling toll free 1-800-711-1712 and request Document RFQ No. 39-15-16.

ACCEPTANCE AND REJECTIONS

The City reserves the right to reject any or all Proposals with or without cause; to waive any or all irregularities with regard to the specifications and to make the award to the Respondent offering the greatest advantage to the City. Please be advised that this Solicitation is issued subject to the City of North Miami Code Section 7-192 prohibiting certain communications with City officials and employees as completely specified in the General Conditions contained herein.

We look forward to your active participation in this Solicitation.

Sincerely,

Alberto Destrade,
Purchasing Director

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All of our contract forms are fill-in able and can be found on our website at:

<http://www.northmiamifl.gov/business/purchasing/forms.asp>.

- A-1 Public Entity Crimes Affidavit
- A-2 Non-Collusive Certificate
- A-3 Local Preference Affidavit
- A-5 Acknowledgement of Addenda
- A-6 Proposer's Disclosure of Sub-consultants
- A-7 Insurance Requirements
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Attachment can be found on the City's website accompanying this Solicitation at:
www.northmiamifl.gov/departments/purchasing/current_bids_proposals.aspx

SECTION 1.0

INSTRUCTIONS TO PROPOSERS / GENERAL TERMS AND CONDITIONS

1.1 DE DEFINITIONS

- a) "City" means the City of North Miami.
- b) "Agreement" or "Contract" means a binding written agreement for the solicited Work and/or Services required by the City by means of this Solicitation, including work orders, containing terms and obligations governing the relationship between the City and the Respondent.
- c) "Department" means a department of the City of North Miami.
- d) "Proposal" means the documents timely submitted by Proposer or Respondent, in response to this Solicitation.
- e) "Proposer" or "Respondent." All individuals, consultants, organizations or other entities submitting a response to this Solicitation.
- f) "Contractor" means the Proposer or Respondent that receives an award of Contract or Agreement from the City resulting from this Solicitation and upon the parties executing a Contract.
- g) "Scope of Services" or "Scope of Work" means Section 3.0 of this Solicitation, which details the Work to be performed by the selected and appointed Respondent.
- h) "Solicitation" means this Request for Qualifications (RFQ) document, and all associated addenda and attachments.
- i) "Work" or "Services" shall include all of the effort, preparation, attendance and work product required to successfully perform the services pursuant to this Solicitation.
- j) "Subcontractors" or "Sub-consultant" means any person, entity or organization, other than the employees of the Contractor, who contracts with the Contractor to furnish labor, services, equipment, or materials, in connection with the provision of Services to the City, whether directly or indirectly, on behalf of the Contractor.

1.2 CITY OVERVIEW

The City of North Miami, Florida (pop. 60,000) is a diverse community, ideally located midway between Miami and Fort Lauderdale and encompasses approximately 9.5 square miles. As the fifth largest city of Miami-Dade County, North Miami is committed to growth in its business community, while also focusing on issues such as education, the arts, leisure activities and sustainability to provide a viable future for our residents and preserve the City's rich history since its incorporation in 1926.

The City provides a wide range of governmental services including public safety / police services, parks and recreation, public works, water and sewer, planning, building and zoning, code enforcement, and community development to its citizens.

The City is a very large consumer of goods and services and the purchasing decisions of our employees and consultants can positively or negatively affect the environment. By including environmental considerations in our procurement decisions, along with our traditional concerns with price, performance and availability, we will remain fiscally responsible while promoting practices that improve public health and safety, reduce pollution, and conserve natural resources.

1.3 REQUEST FOR QUALIFICATIONS

This Solicitation is extended to Respondents that have the necessary experience and qualifications to provide the services specified herein. The scope of services presented in this Solicitation represent the City's anticipated needs.

1.4 PUBLIC ENTITY CRIMES AFFIDAVIT

The "Public Entity Crime Affidavit" (Form "A-1") attached to this Solicitation, must be executed by the Respondent. If the "Public Entity Crime Affidavit" is not submitted as part of the Proposal package, is altered in any manner, or is not fully completed, the Respondent may

be deemed non-responsive to the Solicitation requirements.

1.5 PUBLIC ENTITY CRIME / DISCRIMINATORY RESPONDENT LIST

Any Respondent, or any of its suppliers, Subcontractors, or consultants who shall perform Work which is intended to benefit the City, shall not be a convicted Respondent or included on the discriminatory Respondent list. If the Respondent has been convicted of a public entity crime or has been placed on the discriminatory Respondent list, then a period of more than 36 months prior to the Submittal Deadline for this Solicitation must have passed since that person was placed on the convicted Respondent or discriminatory Respondent list.

The Respondent further understands and accepts that any Agreement issued as a result of this Solicitation shall be either voidable or subject to immediate termination by the City if it is determined that the Respondent did not comply with the requirements of this Section. If so, the

City shall have no liability to the Respondent for any Work performed or materials furnished.

1.6 LOBBYING

Respondents are hereby placed on notice that all Respondents are expressly prohibited from lobbying, either directly or through the use of third parties, the City Council Members or any evaluation committee members or employees of the City for any purpose relating to this Solicitation. Any Proposal submitted by a Respondent who violates these requirements will not be considered for review. The City's Purchasing Department shall be the only point of contact for questions/clarifications concerning any aspect of this Solicitation.

1.7 SUSPENSION OF CONTRACTORS FOR MATERIAL BREACH OF CITY CONTRACTS

Pursuant to Sec 7-160 (a), (b) & (c) and upon recommendation by the City's Purchasing Director, the City may temporarily or permanently suspend Contractors from doing business with the City whenever a Contractor materially breaches its Contract with the City. Any Proposal submitted by a Respondent, its proposed Subcontractors or Sub-consultants who are included on the City's Suspension List shall not be considered for review.

In addition, the principals of any Respondents or its proposed Subcontractors or Sub-consultants shall not attempt to do business with the City under a different name or form a new legal entity in order to do business with the City while the principals of the Respondent or its proposed Subcontractors or Sub-consultants remain on the Suspension List. In the event there is any intentional misrepresentation, the Respondent further understands and accepts that any Agreement issued as a result of this Solicitation shall be subject to immediate termination for default and suspension procedures by the City. The City, in the event of such termination, shall not incur any liability to the Respondent for any Work performed or material furnished.

1.8 POINTS OF CONTACT AND TIMETABLE FOR INQUIRES

Respondents shall contact the City's Purchasing Department for all inquiries relating to this Solicitation. Any request for clarifications and/or questions for issues other than strictly procedural matters, such as posting information and tentative schedules, must be submitted to the Purchasing Department by email at purchasing@northmiamifl.gov.

Request for clarifications and/or questions shall not be considered if submitted after the date and time stipulated on the Solicitation Timetable. The response(s) to questions submitted in a timely manner will be issued by written addenda and posted on the Purchasing Department's webpage located at www.northmiamifl.gov/departments/purchasing and on Demand Star by Onvia at

www.demandstar.com or they can also be obtained by calling toll free 1-800-711-1712 and requesting the corresponding documents number.

1.9 ORAL REPRESENTATION

No oral representation made by City staff shall be considered binding. The contents of this Solicitation and any subsequent written addenda issued by the City shall govern all aspects of this Solicitation.

1.10 ADDENDA

Any revisions to this Solicitation will be posted by the City on the Purchasing Department's webpage located at www.northmiamifl.gov/departments/purchasing and on Demand Star by Onvia at www.demandstar.com or they can also be obtained by calling toll free 1-800-711-1712 and requesting the corresponding document number. The City may revise the deadline for response submission at any time prior to the date and time scheduled for opening of Proposals. Respondents shall be responsible for verifying whether or not any addenda has been issued by the City prior to the deadline by checking the Purchasing Department's webpage at www.northmiamifl.gov/departments/purchasing and on Demand Star by Onvia at www.demandstar.com or by calling toll free 1-800-711-1712 and requesting the corresponding document number. All addenda placed on Demand Star can be downloaded.

1.11 CANCELLATION OF THE SOLICITATION

The City reserves the right to cancel this Solicitation and/or re-advertise and re-solicit the requirements at any time when determined to be in the best interest of the City.

1.12 PROTEST

If a potential Respondent wishes to protest any provision of this Solicitation, a written protest must be filed with the City Clerk within five (5) business days (excluding weekends and City observed holidays) prior to the deadline for submittal of Proposals. A written protest is considered filed when received by the City Clerk.

Any Respondent who files a formal written protest pursuant to Section 7-158, City Code, shall post with the City, at the time of filing the formal written protest, a filing fee in an amount equal to one percent (1%) of the total amount of compensation anticipated under this Solicitation or one thousand dollars (\$1,000), whichever is less. Failure to file a notice of protest within the time prescribed in Section 7-158, City Code, or failure to post the filing fee within the time allowed, shall constitute a waiver of such Proposer's right to file a protest.

Notice of written protest along with the filing fee, shall be timely filed with the City Clerk of the City North Miami at 776 NE

125th Street, North Miami, FL 33161. The City will not accept receipt of any formal written protests filed at any location other than the City Clerk's Office

1.13 AGREEMENT

Respondent understands that neither this Solicitation nor Respondent's proposal constitute an Agreement with the City. No Agreement is binding or official until all proposals are reviewed and accepted by appropriate City staff, approved by the requisite level of authority within the City and an official Agreement is duly executed by the parties.

The selected Respondent shall be required to sign an Agreement which the City determines to be fair, competitive and reasonable.

1.14 COST OF PROPOSALS

Neither the City nor its representatives shall be liable for any expenses incurred by Respondents concerning the preparation, submission or presentation of Proposals in response to this Solicitation. All information in the Proposals shall be provided at no cost to the City.

1.15 TAX EXEMPT STATUS

The City is exempt from Florida Sales and Federal Excise taxes on direct purchases of tangible property.

1.16 PROPOSALS SUBMITTAL AND OPENING

All responses shall be submitted in a sealed envelope by the deadline indicated on the Solicitation Timetable. The response shall clearly indicate the title and number of this Solicitation on the outside of the sealed envelope, including the Respondent's return address. Moreover, the reference information shall also be included on the cover page of the Proposal. The City assumes no responsibility for responses not properly marked.

The City will not accept responses delivered after the established deadline. If a Proposal is delivered after the stipulated deadline, a Respondent shall be deemed non-responsive and will not be eligible for consideration under this Solicitation.

Receipts of a response by any City office, receptionist or personal other than the Clerk's Office will not constitute "delivery" as required by this Solicitation. The City will not accept or consider responses submitted via facsimile transmission. The public is welcome to attend the Solicitation opening.

1.17 ASSIGNMENT OF RESPONSE

A Respondent shall not transfer or assign its response to a third party following submission of a Proposal to the City.

1.18 WITHDRAWAL OF RESPONSE

Respondents shall withdraw their submitted Proposal by notifying the City either in writing or in person through an authorized representative at any time prior to the deadline for submittal of Proposals. Individuals making the withdrawal shall provide evidence of serving as an authorized representative of the Respondent. Once Proposals are received and opened by City staff, they then become property of the City, and may not be modified or returned to Respondents even when they are withdrawn from further consideration.

1.19 PUBLIC RECORDS AND EXEMPTIONS

Respondents are hereby placed on notice that all information submitted as part of or in support of their Proposals will be available for public inspection, in accordance with Chapter 119, Florida Statutes (known as the "Public Records Law") at the time the City posts notice of its decision or intended decision regarding recommended award of this RFQ or thirty (30) days after the opening of Proposals, whichever is earlier.

In the event that a Respondent believes that any information contained in their Proposal should be considered confidential and/or proprietary and is therefore exempt from public records disclosure, then the Respondent must submit and cite specifically the applicable exempting law. The Respondent's failure to provide the Purchasing Department with a detailed explanation and justification, including statutory cites and specific reference to the information claimed to be exempt from public records exemption, may result in their entire Proposal being subject to disclosure in accordance with Chapter 119 of the Florida Statutes.

1.20 REJECTION OF RESPONSES

Pursuant to Section 7-136, City Code, the City reserves the right to reject any and all Proposals for reasons including, but not limited to, the following:

- (1) When such rejection is in the best interest of the City;
- (2) If such Proposal is deemed non-responsive;
- (3) If the Respondent is deemed non-responsive; or
- (4) If the Proposal contains any material irregularities. Minor irregularities contained in response may be waived by the City. A minor irregularity is a variation from the Solicitation that does not affect the price of the Agreement nor does it give a Respondent an advantage or benefit not enjoyed by other Respondents and does not adversely impact the City.

1.21 EVALUATION COMMITTEE & INTERVIEWS

An Evaluation Committee shall be established to review and evaluate the qualifications of each Respondent. The Purchasing Department will provide the Evaluation Committee members with a

copy of each Proposal for their review and a meeting will be convened to evaluate and score each Proposal in accordance with the scoring criteria contained under Section 5.0 of this Solicitation. Following the Committee's initial screening of the submitted Proposals, the Committee will rank each Respondent and establish a short-list of the highest ranked applicants to be interviewed by the Committee.

The short-listed Respondents will then be invited to appear before the Committee to make an oral presentation of their qualifications and to respond to any questions posed by the Committee members. The final ranking for each interviewed Respondent shall be based on the Committee's evaluation of their submitted Proposal and presentation before the Committee.

Immediately upon conclusion of the Committee's final evaluation, the Committee will provide the Purchasing Department with the results of their scores and their final ranking for each interviewed Respondent. The Purchasing Department shall then forward the results of the Committee's evaluation and final rankings to the City Manager for review and approval.

1.22 CITY COUNCIL REVIEW AND APPOINTMENT

Upon approval by the City Manager, the Purchasing Department will submit the results of the Committee's evaluation and their final rankings to the City Council for their review of the Committee's recommendation. The City Council may accept or reject in whole or part the Committee's recommendation.

1.23 THE CITY OPTIONS

The City may, at its sole and absolute discretion, reject any or all responses, re-advertise this Solicitation, postpone or cancel this Solicitation process at any time, or waive any irregularities in this Solicitation or in the Proposals received in response to this Solicitation.

The determination of the criteria and evaluation process for this Solicitation, as well as whether or not an award is made by the City, shall be at the sole and absolute discretion of the City. In no event will any successful challenger of these determinations or decisions be automatically entitled to the award of this Solicitation.

The submittal of a Proposal will be considered by the City as constituting an offer by the Respondent to provide the Services described in this Solicitation.

1.24 CONTRACT AWARD

The City may select and award up to three (3) Respondents for this Contract, but reserves the right to not make any award whatsoever, if deemed to be in the best interest of the City.

Prior to final execution of an Agreement with the City, the Respondent(s) shall submit the requisite

insurance coverage documents. The contract number shall be included on the insurance documents submitted to the City, as well as for any updates to the insurance coverage throughout the Agreement period. Failure to execute the Agreement and/or to submit evidence of the required insurance coverage in a timely manner shall be just cause for termination of the award.

1.25 PROPOSAL SUBMITTAL/ADDENDUMS

All Proposals shall be submitted in accordance with the format outlined under Section 5.0 of this Solicitation and must include all the requisite information contained therein. Moreover, the Proposal must contain a signed and completed "Cover Page and Contract Information" form found under Section 6.0 of the Solicitation.

Respondents may be deemed non-responsive if any required information is missing from their submitted Proposals.

Prior to submitting their Proposal, each Respondent is solely responsible for verifying whether any addendum has been issued by the City's Purchasing Department and acknowledging their review of the addendum, if any, as part of the Proposal (see Form "A-5").

1.26 NON-RESPONSIVE PROPOSALS

Proposals deemed to be non-responsive shall not be eligible for award under this Solicitation. Proposals may be considered non-responsive as a result of various factors including, but not limited to, the failure to meet the minimum qualifications contained in this Solicitation, failure to follow the instructions provided in this Solicitation, failure to submit the requisite documentation, incomplete or ambiguous responses, and failure to respond in a timely manner to request for additional information from the City.

Proposals will be rejected if not received by the City on or before the date and time specified as the deadline for submittal.

1.27 CONE OF SILENCE

This Solicitation is issued pursuant to Section 7-192 of the City Code, Cone of Silence, which prohibits certain types of communication with City Council members, City staff and evaluation committee members upon issuance of said Solicitation (see Attachment "A").

Upon the Cone of Silence taking effect, the Purchasing Department shall issue public notice thereof by providing written notice to the affected City departments, the City Clerk's Office and to each City Council member. Notwithstanding any other provision of this section, the imposition of a Cone of Silence on a particular Solicitation shall not preclude the Purchasing Department from obtaining industry comment or performing market research provided all communication related thereto with a potential Respondent, Proposer,

supplier, lobbyist or consultant are in writing or made at a duly noticed public meeting.

The Cone of Silence ordinance does not apply to oral communications at pre-Proposal conference, oral presentations before selection committees, Agreement negotiations, public presentations made to the City Council during any duly noticed public meeting or communications in writing at any time with any City Council member unless specifically prohibited by the applicable Solicitation documents. A copy of all written communications must be filed with the City Clerk.

1.28 RESPONDENT'S DISCLOSURE OF SUBCONTRACTORS AND SUPPLIERS

This RFQ shall require that the Respondent submits with its Proposal a listing of all first-tier Subcontractors or sub consultants who will perform any part of the Contract Work and all suppliers who will supply materials for the Contract Work direct to the selected Respondent. Failure to comply with this requirement shall render the Proposal non-responsive. In addition, the selected Respondent shall not change or substitute Subcontractors or suppliers from those listed in the Proposal except upon written approval of the City (See "Form A-6").

1.29 BUSINESS ENTITY / RESPONDENT REGISTRATION

The City of North Miami requires business entities to complete registration application before doing business with the City. Respondents need not register with the City to present a Proposal; however, the selected Respondent(s) must register prior to award of an Agreement as failure to register may result in the rejection of the Proposal. To register, you may contact the Purchasing Department at (305) 895-9886 or you may download the application from our website www.northmiamifi.gov/departments/purchasing. It is the responsibility of the business entity to update and renew its application concerning any changes such as new address, telephone number, commodities, etc. during the performance of any agreement awarded as a result of this Solicitation.

1.30 EXCEPTION TO THE SOLICITATION

Respondents may take exceptions to any of the terms of this Solicitation unless the Solicitation specifically states where exceptions may not be taken. Should a Respondent take exception where none is permitted, the Proposal will be rejected as non-responsive. All exceptions raised by a Respondent must be submitted in writing and clearly indicate what alternative is being offered to allow the City a meaningful opportunity to evaluate and rank Proposals, and the cost implications of the exception (if any). Where exceptions are taken, the City shall determine the acceptability of the proposed exceptions. The City, after completing evaluations, may accept or reject the exceptions. Where exceptions are rejected, the City may insist that the Respondent furnish

the Services or goods described herein or negotiate an acceptable alternative.

All exceptions shall be referenced by utilizing the corresponding section, paragraph and page number in this Solicitation. However, the City is under no obligation to accept any exceptions. If no exception is submitted, the City will conclude that the Respondent has accepted all terms and conditions of this Solicitation.

1.31 LOCAL PREFERENCE / 10% TOTAL WORKFORCE CONSISTING OF NORTH MIAMI RESIDENTS / SUBCONTRACT WITH LOCAL PROPOSERS

The evaluation of competitive Solicitations is subject to Section 7-151 of the City Code which provides that preference be given to local businesses, except where contrary to federal and state law or any other funding source requirements. In order for the Respondent to benefit from this preference, the Respondent shall confirm in writing its compliance with any of the following criteria as of the date of Proposal submittal (see Form A-3). A local business shall be defined as:

- a) A business located in the City that has a permanent office or other site where the local business conducts, engages in or carries on all or a portion of its business and has a current City business tax receipt, issued prior to the City's issuance of this Solicitation; or
- b) A business that has at least ten percent (10%) of its total workforce residing in the City prior to the City's issuance of this Solicitation; or
- c) A business that subcontracts at least ten percent (10%) of the contractual amount of a City project with Subcontractors who are physically located within the City.

If applicable, the local business preference would assign Respondents a benefit of ten (10) percent of the total evaluation points or ten (10) percent of the total price, to be applied in calculating their final ranking.

1.32 RULES, REGULATIONS AND LICENSING REQUIREMENTS

The Respondent shall comply with all laws; ordinances and regulations applicable to the Services contemplated herein, especially those applicable to conflict of interest and collusion. Respondents are presumed to be familiar with all Federal, State and Local laws, ordinances, codes, rules and regulations that may in any way affect the goods or Services offered.

1.33 COMMUNITY BENEFITS PLAN

[Not Applicable]

1.34 MODIFICATIONS OF PROPOSAL

Unsolicited modifications or revisions to Proposals will not be permitted after the deadline for submittal and opening of Proposals.

1.35 TRUTH-IN-NEGOTIATION STATEMENT

[Not Applicable]

1.36 REVIEW OF PROPOSALS

The City will not allow any request for documents or reviews of submittals until thirty (30) days after Proposals are received or after an award is announced, whichever comes first. After the requested time has passed, Respondents may then request copies of documents or make an appointment to review submittals and presentations.

1.37 OPENING OF SUBMITTED PROPOSALS

Immediately after the deadline for submittals has passed, the Purchasing Department will open properly received Proposals and announce the names of the Respondents for this Solicitation in the Office of the City Clerk located on the First Floor of City Hall at 776 NE 125th Street, North Miami, Florida. A list of Respondents will also be placed on the Purchasing Department’s webpage shortly after the Proposals are opened and announced.

1.38 ATTORNEYS’ FEES

In the event of any dispute arising under or related to this Solicitation and the Agreement issued pursuant thereto, the prevailing party shall be entitled to recover all actual attorney fees, costs and expenses incurred by it in connection with that dispute and/or the enforcement of the Agreement, including all such actual attorney fees, costs and expenses at all judicial levels, including appeal, until such dispute is resolved with finality.

1.39 CONFLICTS OF INTEREST

The City’s Conflict of Interest guidelines, provided under Article XI, of the City Code, as amended, shall apply to this Solicitation and Agreement. Respondents should be aware, that if awarded an Agreement, no person under its employ who presently exercises any functions or responsibilities on behalf of the City in connection with this Solicitation has any personal financial interest, directly or indirectly, with contractors or Respondents providing professional services on Work assigned to the Contractor, except as fully disclosed and approved by the City. Respondent shall further be aware that if awarded an Agreement under this Solicitation, no person having such conflicting interest shall be employed in the performance of this Agreement.

END OF SECTION

SECTION 2.0 SPECIAL CONDITIONS

2.1 PURPOSE

This Solicitation has been issued for the purpose of seeking proposals from qualified and experienced Certified Public Accounting firms to provide independent auditing services to audit the City's financial statements for the fiscal year ending September 30, 2016, and subsequent years.

The intent of the City is to select one (1) firm to provide the desired professional Services.

2.2 CONTRACT TERM

The initial term of this Agreement will be for a three (3) year term. Upon conclusion of the initial three (3) year term, the Contract may be renewed for two (2) additional one (1) year periods, under the same terms and conditions, at the sole discretion of the City. The fee structure of the Contract shall remain firm for the entire Contract term including any and all renewal periods.

2.3 INDEMNIFICATION AND INSURANCE

The Contractor must submit, prior to signing of Contract, a Certificate of Insurance naming the City of North Miami as additional insured for Commercial General Liability and/or Auto Liability Insurance. Contractor shall guarantee all required insurances remain current and in effect throughout the term of Contract. All insurance policies required by the Contract shall be maintained by Contractor in full force and effect throughout the term period.

The insurance carriers shall have a minimum of B+ rating based on the latest rating publication of Property and Casualty Insurers of A.M. Best Company (or its equivalent). All insurers must be lawfully admitted to conduct business within the State of Florida. Required insurance coverage must be approved by the City's Risk Management prior to commencement of Project. Contractor may produce any insurance under a "blanket" or "umbrella" insurance policy, provided that such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to this Project. Coverage limits shall equal or exceed the amount(s) required by this Agreement and shall not be reduced for claims made for other projects undertaken by Contractor.

Respondents must submit with their Response, proof of insurance meeting or exceeding the following coverage or a letter of intent to provide the following requirements if awarded a Contract:

2.3.1 COMMERCIAL GENERAL LIABILITY

With project dedicated minimum limits of **\$1 Million** per occurrence for bodily injury and property damage. This coverage shall also include personal, advertising injury, and medical payments.

2.3.2 PROFESSIONAL LIABILITY (Errors and Omissions)

\$2 million minimum limit covering damages arising from the negligence of Contractor in the performance of professional Services relative to this Project.

2.3.3 COMMERCIAL AUTOMOBILE LIABILITY

With minimum limit of **\$1 Million**, covering any auto including owned, non-owned, hired or leased

2.3.4 WORKER'S COMPENSATION

As required by the State of Florida with statutory limits, and Employer's Liability with a minimum limit of \$1,000,000 per accident for bodily injury or disease.

Both Commercial General and Automobile Liability insurance policies shall name the City of North Miami as "additional insured". Proof of insurance will be provided in the form of a Certificate of Insurance or Insurance Declarations page with endorsements showing the City as additional insured where applicable. All insurance required herein shall be written as primary policies, not contributing to or in excess of any coverage that the City may carry.

Contractor shall indemnify and hold harmless the City and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the City or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of an Agreement by the Contractor or its employees, agents, servants, partners principals or Subcontractors.

Contractor shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the City, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon.

Contractor expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by Contractor shall in no way limit the responsibility to indemnify, keep and save harmless and defend the City or its officers, employees, agents and instrumentalities as herein provided.

The Contractor must submit, no later than ten (10) days after award and prior to commencement of any Work, a Certificate of Insurance naming the City of North Miami as additional insured.

2.4 MINIMUM QUALIFICATIONS AND EXPERIENCE

To be eligible to respond to this Solicitation, the Proposer must demonstrate sufficient capacity, resources and experience to provide Independent Auditing Services and must be licensed under Chapters 473, Florida Statutes. Any Proposer that fails to meet all the following minimum qualification requirements may be noted as "NON-RESPONSIVE" and will not be evaluated / scored

2.4.1 At a minimum, the Respondent must be properly registered to practice their profession and licensed in the State of Florida at the time of Proposal submission and for the duration of this Contract. The Respondent shall submit copies of the following;

- a) The Respondent must submit a copy of their Sunbiz registration.
- b) The Respondent must submit proof that it is independent and duly licensed under Florida Statute Chapter 473 to practice in the State of Florida as a Certified Public Accounting Firm. (Respondents shall provide the current license number issued by the Florida Department of Business and Professional Regulation);
- c) The Respondent must submit proof that it has performed governmental financial audits and related services for a minimum of five (5) years, preferably as lead auditors;
- d) The Respondent must submit proof that it has conducted Federal and State Single Audits for at least three (3) governmental entities within the past five (5) years;
- e) The Respondent must submit proof that it maintains a permanent office in Broward, Palm Beach and/or Miami-Dade County, Florida;
- f) The Respondent must submit proof that it has no conflict of interest with regard to any other work performed by the firm for the City of North Miami (See Form A-2).

2.4.2 At a minimum, Proposer must provide at least three (3) references of clients to which it has provided Services similar to the scope of Services requested in this Solicitation. If available, such references should be representative of Florida public agencies to which the Proposer is currently providing, or has provided, said Services within the last five (5) years.

2.5 CONTACTS WITH THE CITY PERSONNEL

Questions concerning this RFQ must be directed in writing, by email to the Purchasing Department at purchasing@northmiamifl.gov and to no other person or department at the City.

This RFQ is issued pursuant to the City of North Miami Ordinance Section 7-192 which prohibits certain types of communications.

2.6 PROPOSAL CONDITIONS

2.6.1 The City Options

The City may, at their sole and absolute discretion, reject any or all Proposals, re-advertise this RFQ, postpone or cancel this RFQ process at any time, or waive any irregularities in this RFQ or in the Proposals received as a result of this RFQ.

The determination of the criteria and process whereby Proposals are evaluated, the decision as to who shall receive a Contract award, or whether an award shall ever be made as a result of this RFQ, shall be the sole and absolute discretion of the City.

In no event will any successful challenger of these determinations or decisions be automatically entitled to the award of this RFQ.

The submittal of a Proposal will be considered by the City as constituting an offer by the Proposer to provide the Services described in this RFQ.

2.6.2 Rules, Regulations, and Requirements

All Proposers shall comply with all laws, ordinances, and regulations of any Federal, State of Florida, Miami-Dade County, or City government applicable to submitting a Response to this RFQ and to providing the Services described herein.

2.6.3 Change of Proposal

Any Proposer, who desires to change his/her Proposal, shall do so in writing. Any request for changes shall be received prior to the date and hour of the Proposal opening. The Proposer's name and the RFQ # shall appear on the envelope.

2.6.4 Withdrawal of Proposal

A Proposal may be withdrawn prior to the date and hour of the Proposal opening. Any Proposal not so withdrawn shall, upon opening, constitute an irrevocable offer, for the period of 90 calendar days after the date of the Proposal opening, to provide the proposed Services.

2.7 FAILURE TO PERFORM

If in the opinion of the City's representative, the Contractor refuses to begin Work, improperly performs said Work, or neglects or refuses to take out or redo such Work, as shall have been rejected or as being defective or unsuitable, then City's representative may notify the Contractor to replace Work immediately or discontinue all Work under Contract.

If at any time the City's representative shall be of the opinion that the said Work is being unnecessarily delayed and will not be finished within the prescribed time then City's representative may notify the Contractor to discontinue all Work under Contract. The Contractor shall immediately respect said notice and stop said Work and cease to have any rights to the possession on the Project site and shall forfeit the Contract.

The City may thereupon look to the next highest ranked, responsive and responsible Respondent to complete the Work or re-advertise for Proposals and let a contract for the uncompleted Work in the same manner as was followed in the letting of the Contract and charge the cost thereof to the original Respondent under Contract. Any excess cost arising therefore over and above the original Contract Price shall be charged to the Respondent.

2.8 METHOD OF PAYMENT: PHASED PAYMENTS FOR WORK COMPLETED

The City shall provide partial payments for Work completed by the Contractor during various phases of the Work assignment. The Respondent shall provide fully documented invoices, which indicate, in addition to the basic information set forth below, the time and materials provided to the City user department(s) that requested the Work through a purchase order. It shall be understood that such invoices shall not be authorized for payment until such time as a City representative has inspected and approved the completed phase of the Work assignment. The percentage or component of completed Work which corresponds to the acceptable payment schedule shall be as follows:

All invoices shall contain the following basic information:

2.8.1 Respondent Information:

- The name of the business organization as specified on the Contract between City and Respondent
- Date of invoice
- Invoice number
- Respondent's Federal Identification Number on file with the State

2.8.2 City Information:

- City Purchase Order Number

2.8.3 Pricing Information:

- Unit price of the goods, Services or property provided
- Extended total price of the goods, Services or property
- Applicable discounts

2.8.4 Goods or Services Provided per Contract:

- Description
- Quantity

2.8.5 Delivery Information:

- Delivery terms set forth within the City Purchase Order
- Location and date of delivery of goods, Services or property

2.8.6 Failure to Comply:

- Failure to submit invoices in the prescribed manner will delay payment.

2.9 FEDERAL AND STATE REGULATIONS

The Contractor shall comply with all federal, state and local rules and regulations regarding auditing business, and any other laws that would apply to operating a similar type of business.

2.10 ACCEPTANCE OF SERVICES BY THE CITY

The Services to be provided hereunder shall be in full compliance with the specifications and requirements set forth in the Contract Documents.

2.11 OMISSION FROM THE SPECIFICATIONS

The apparent silence of this specification and any addendum regarding any details or the omission from the specification of a detailed description concerning any point shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of this specification shall be made upon the basis of this Agreement.

2.12 SUB-CONSULTANTS OF WORK SHALL BE IDENTIFIED

As part of its Respondent response, the Respondent is required to identify any and all Sub-consultants that will be used in the performance of the proposed Contract, their capabilities and experience, and the portion of the Work to be done by the Sub-consultant. The competency of the Sub-consultant(s) with respect to experience, skill, responsibility and business standing shall be considered by the City when making the award in the best interest of the City. If the Respondent fails to identify any and all Sub-consultant in the Proposal, the Respondent may be allowed to submit this

documentation to the City during the Solicitation evaluation period if such action is in the best interest of the City.

2.13 WAIVER OF IRREGULARITIES

The City may waive minor informalities or irregularities in Proposals received where such is merely a matter of form and not substance, and the correction or waiver of which is not prejudicial to other Proposers. Minor irregularities are defined as those that will not have an adverse effect on the City's interest and will not affect the price of the Proposals by giving a Proposer an advantage or benefit not enjoyed by other Proposers.

2.14 COUNCIL MEETING

Contractor must be available to attend City Council meetings when required. Contractor must be prepared to answer any questions and/or provide oral presentation (using presentation board, PowerPoint's or handouts) if requested by Council and/or authorized City representative.

2.15 SOLICITATION CLARIFICATION AND INQUIRIES

Any questions or clarifications regarding this Solicitation shall be submitted in writing to Purchasing Department via email at purchasing@northmiamifl.gov. Respondent(s) must clearly understand that the only official answer or position of the City will be the one received in writing.

The Solicitation number and title shall be referenced on all correspondence, be sure to include the page and paragraph number for each question in order to ensure that questions asked are responded to correctly. All questions must be received no later than the time and date specified in the Solicitation Timetable section. All responses to questions/clarifications will be sent to all prospective Respondents in the form of an addendum. **NO QUESTIONS WILL BE RECEIVED VERBALLY OR AFTER SAID DEADLINE.** Addendum(s) will be made available on the City's webpage and it is the Respondent's sole responsibility to assure receipt of all (if any) addenda(s).

END OF SECTION

SECTION 3.0 SCOPE OF SERVICES / TECHNICAL SPECIFICATIONS

3.1 INTRODUCTION

The City has issued this Solicitation to seek Proposals from experienced and qualified Certified Public Accounting Firms to provide Independent Auditing Services to audit the City of North Miami's financial statements. It is the intent of this Solicitation that all Work shall result in compliance with the specifications and all regulatory requirements applicable to such service.

Respondent shall provide the services consisting of all of the necessary labor, materials, supplies, furnishings, facilities, and equipment including those things reasonably inferable from the Contract Documents and needed to successfully complete the requested Services. The Respondent shall provide all labor and supervisory personnel required in connection therewith.

Furthermore, the City encourages the participation of Firms who are responsive to the City's goal of providing subcontracting and employment opportunities to business based within the City of North Miami.

3.2 SCOPE OF SERVICES:

The City's Annual Financial Reports (CAFR) is available for review on the City's website at: <http://northmiamifl.gov/departments/finance/cafr.aspx>.

Proposers are encouraged to thoroughly review the information contained therein, in order to become familiar with the City and its operations. The City currently utilizes EDEN for budgeting, accounting, payroll, accounts payable, purchasing and human resources.

A. Annual Examinations – The Firm selected as a result of this RFQ shall provide Independent Auditing Services to the City to examine the financial statements of the City, beginning with the financial statements for fiscal year ending September 30, 2016.

The annual examinations by the Proposer shall include, but not be limited to, the following:

1. **Financial Audit** – The contracted CPA firm will perform a Financial Audit in accordance with generally accepted auditing standards, government auditing standards, Federal OMB Circular A-133 (including necessary filings) and Florida Statutes. The primary purpose of the audit is to express an opinion on the financial statements of the City. The examination and procedures related hereto contemplate the review of a Comprehensive Annual Financial Report (CAFR) if and when it is prepared by the City. The audit procedures used should be sufficient to enable the Proposer to express an opinion on the fairness with which the financial statements present the financial position of the City and the results of its operations and the cash flows of its proprietary fund types in accordance with generally accepted accounting principles. In addition, such

procedures should be adequate to determine whether the operations of the City were properly conducted in accordance with legal and regulatory requirements, including Florida Statutes and the City of North Miami Ordinance.

2. **Review of Internal Controls** – An evaluation is to be made of the system of internal controls, including the control environment, accounting systems and specific control procedures, to assess the extent to which the controls can be relied upon to provide accurate information, ensure compliance with applicable laws and regulations, and to provide for efficient and effective operations. In order to assess the control risk, the Firm shall perform tests of controls and properly document its assessment.

Reportable conditions shall be communicated in writing in accordance with applicable Statements of Auditing Standards issued by the American Institute of Certified Public Accountants and generally accepted auditing standards.

3. **Management Letter** – A management letter will be issued in compliance with the Rules of the Auditor General of the State of Florida that contains significant audit findings which, among other matters, shall include the following material items noted during the performance of the audit:
 - a. A statement as to whether or not inaccuracies, shortages, defalcations, fraud and/or violations of laws, rules, regulations and contractual provisions reported in the preceding annual financial audit report have been corrected.
 - b. Statement as to whether or not recommendations made in the preceding annual financial audit report have been followed.
 - c. A statement as to whether or not the City is in a state of financial emergency as a consequence of conditions described in Section 218.503(1), Florida Statutes. When there has been a determination that the City is technically in a state of financial emergency, but is not in financial difficulty or experiencing a financial crisis, the Management Letter shall explain the basis for that conclusion. (For example – the explanation should describe accounting practices that place the deficits in the proper perspective) When there has been a fund balance or retained earnings deficit for two consecutive years and a determination has been made that there is no financial emergency the Management Letter shall explain the circumstances that led to that conclusion. (For example – the explanation should identify specific resources of the City that are available to cover the deficits).
 - d. Recommendations to improve the City's present financial management, accounting procedures and internal controls. This shall include recommendations addressing deteriorating financial conditions disclosed pursuant to Section 218.39(5), Florida Statutes.
 - e. A statement as to whether or not the City complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

- f. Violations of laws, rules, regulations and contractual provisions that:
 - (a) have occurred or are likely to have occurred;
 - (b) were discovered within the scope of the financial audit, and;
 - (c) may or may not have materially affected the financial statements
- g. Illegal or improper expenditures discovered within the scope of the financial audit which may or may not materially affect the financial statements.
- h. Other matters requiring correction which may or may not materially affect the financial statements reported on, including, but not limited to:
 - (a) Improper or inadequate accounting procedures (i.e. – the omission of required disclosures from annual financial statements)
 - (b) Failures to properly record financial transactions
 - (c) Other inaccuracies, shortages and instances of fraud representing reportable conditions discovered by, or that come to the attention of, the Auditor.

The Firm shall be required to make an immediate written and oral report to the designated City Representative(s) of all significant irregularities and any illegal acts as they become known to the Firm.

- 4. **Data Processing Review** – The Firm will perform a review of internal controls used in the computer environment to ensure (a) the proper development and implementation of applications, (b) the integrity of program and data files, (c) the completeness and accuracy of the accounting records, and (d) the integrity of computer operations.

The Firm shall communicate periodically to staff if reportable conditions in data process review are identified during the engagement. As part of the Management Letter, the Firm shall report the following information it deems appropriate:

- a. Specific comments in the above areas for the City's major computer systems
- b. Overall conditions of internal control in computer environment
- c. Significant weakness in internal control in data processing

- B. Federal and State Single Audit** – The contracted CPA firm will perform a Single Audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, the Single Audit Act Amendments of 2007, the provisions of OMB Circular A-133, Audits

of State and Local Governments; and Chapter 10.550 Rules of the Auditor General of the State of Florida in order to report on the Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance, on the compliance of the City with laws and regulations and on internal controls, as required by the Single Audit Act.

Information related to the Single Audit, including the schedule of Federal Financial Assistance, findings and recommendations, and auditor's report on the internal control structure and compliance with applicable laws and regulations will be included in a separate report, when completed.

C. Special Audits – The contracted CPA firm will perform Special Audits for:

- (a) Landfill Trust.
- (b) GOB Grants from Miami –Dade County
- (c) CITT for the ½ Cent Transportation Surtax

All audits shall be in accordance with generally accepted auditing standards,

D. Additional Services – If, during the contractual period, additional Services are needed, the Firm may, at the option of the City, be engaged to perform these Services. The Firm shall, upon receipt of a written request from the Finance Director or designee, perform such additional Services. Such Services, if offered by the Firm, may include, but not be limited to:

- (a) Management advisory services;
- (b) Tax consulting services;
- (c) Actuarial consulting services;
- (d) Assistance in the preparation of or performance of extended audit procedures;
- (e) Assistance in the preparation of or performance of procedures required by Bond Counsel in connection with the issuance of Official Statements;
- (f) Any additional "In Relation To" reports requested by the City.

The Firm will be compensated in accordance with the schedule of fees established as a result of the selection process. Any fee for additional services shall be separately negotiated at the time of the engagement for a not-to-exceed amount calculated in accordance with the rates agreed upon by negotiation. Notwithstanding the foregoing, the City may elect, in their sole discretion to engage a third party to conduct such additional services.

E. Time Requirements

1. Commencement of the Audit – The City will have all records for the audit, as well as all appropriate personnel, available to meet with the audit team of the Firm upon acceptance of the proposal and approval by the City Council.
2. Schedule of the Fiscal Year Audit – Each of the following shall be completed no later than the date indicated:
 - a. Audit Plan – No later than July 31 a detailed plan will be provided to the Committee covering interim and year-end audit procedures for the fiscal year ending September 30 of the following contract year In each

succeeding fiscal year for which audit Services will be provided, a detailed plan will be provided to the Committee by July 31 of that year.

- b. Fieldwork – For the fiscal year ending September 30, 2016 of the initial Contract year fieldwork should commence immediately after presentation of the audit plan. For each succeeding fiscal year, fieldwork should commence sufficiently before the end of the fiscal year to ensure that the reporting deadlines outlined below can be met.
- c. Progress Conferences – Progress conferences will be held with the appropriate City personnel at least bimonthly during the course of the Agreement.

Such conferences will be held at any time that it appears that: scheduled completion dates may be in jeopardy; the audit detects apparent violations of law or apparent instances of misfeasance, malfeasance or nonfeasance by an employee; information is discovered that indicates that defalcations may reasonably be anticipated; or material weaknesses in internal controls are detected.

- d. Reporting Deadlines – The audit report, in its final form and including the management letter, shall be completed each year no later than March 31st of the following year (or the prior business day, as applicable). The report will be presented to the City at its next regularly scheduled meeting, unless the City requests such presentation at an earlier-scheduled special meeting
- e. Provide periodic reports to the City assessing the impact of any significant regulatory (Accounting Standards) changes and accounting or reporting developments proposed by the Governmental Accounting Standards Board or any other significant financial / accounting matters that may affect the City.

F. Invoicing for Work/Progress Billing – In consideration of the size of the fees to be generated and the probable length of the audit engagement for each fiscal year, progress billing will be permitted on a percentage of completion basis. To determine progress, the Firm will prepare, as part of the Audit Plan (as set forth in subsection E above), an estimate of total hours required to complete the engagement. Progress will be determined by comparing the hours incurred to date to the estimated total hours for the engagement. A listing of hours incurred and a description of the Work corresponding to such hours shall accompany the invoice in support of this calculation. Progress billings may be rendered no more frequently than monthly during the course of the engagement. The final payment will be paid upon resolution of any open issues or delivery of any remaining items.

G. Working Papers – In all cases, the Firm will retain all working papers for a period of seven (7) years and will provide the City and/or its assignees access, free of charge, to any or all work papers for a period of seven (7) years.

H. Support Personnel – Support personnel will be made available by the City to provide assistance, such as identifying locations of required records, gathering needed documentation and supporting information and such other tasks that will serve to expedite the audit, with the understanding that support personnel must be given consideration to effectively perform the day-to-day requirements of their positions.

- I. **Inclusion** – If any Services, functions or responsibilities not specifically described in this RFQ are necessary for the proper performance and provision of the Services, they shall be deemed to be implied by and included within the scope of the Services to the same extent and in the same manner as if specifically described herein. This section includes, but is not limited to, any additional expenses to be incurred by the Firm in relation to the Services (an example includes expenses incurred by the Firm if any state or federal agency requires any external review – such as quality control – of the Firm’s Services conducted for the City).

END OF SECTION

SECTION 4.0 EVALUATION/SELECTION PROCESS

4.1 REVIEW OF PROPOSALS FOR RESPONSIVENESS

Each Proposal will be reviewed to determine if the Proposal is responsive to the submission requirements outlined in the Solicitation. A responsive Proposal is one which follows the requirements of this Solicitation that includes all documentation, is submitted in the format outlined in this Solicitation, is of timely submission, and has the appropriate signatures as required on each document. Failure to comply with these requirements may result in the Proposal being deemed non-responsive. The Contract will be awarded to the lowest responsible and responsive Proposer whose Proposal best serves the interest of and represents the best values to the City in conformity with Chapter 7, Article III of the City code.

4.2 EVALUATION PROCESS

The City shall appoint an Evaluation committee to review and evaluate the proposals and oral presentations of each Respondent.

Respondents who have met the responsiveness and responsibility conditions will be evaluated by the Committee in accordance with the criteria detailed in Part 4.3. Evaluation Criteria. Evaluation Committee members will independently score the Proposals based on the merit of each Proposal, as determined by the Evaluation Committee members, to meet the requirements stated in the solicitation. The total number of points scored by each Evaluation Committee member will be based on the maximum points available for each of the factors detailed under the technical category

4.3 EVALUATION OF PROPOSALS

Criteria will be scored on a scale of “0” to “100” per evaluator with the maximum number of points available for each criterion as noted in this section. The maximum number of points to be scored under this process is **100 points per Evaluation Committee member**. Scoring is based on a point total per evaluator and not a percentage. The highest ranking Respondent will be determined by using a combination of Respondent’s total scores for criteria listed. The City will put each Proposal through a process of evaluation to determine the Respondent’s responsiveness to City’s needs.

Award shall be made to the responsible firm and/or individual whose statement of qualifications is determined to be the most advantageous to the City, taking into consideration each category firm is applying for and the evaluation factors set forth below:

| Criteria | Maximum Points |
|---|----------------|
| Proposer's experience, qualifications and past performance in providing the Services described in this Solicitation | 30 |
| Experience and qualifications of key individuals and Sub-consultants, that will be assigned to these Services | 30 |
| Proposer's approach and work plan to provide the services | 20 |
| MWBE and/or SBE Participation | 10 |
| References | 10 |
| Evaluation Score: | 100 |

4.3 ORAL PRESENTATIONS

Respondents may be invited to provide an Oral Presentation as a part of the evaluation process for this Solicitation. The Evaluation Committee will schedule interviews only with selected Respondents. Notice of assigned presentation times will be communicated in advance to the Respondent but may be given short notice of appearance. The purpose of the presentation will be to clarify the Response and ensure a mutual understanding of the Scope of Work. The oral presentation may clarify but may not modify the prior written submission. Verbal exchanges between the presenter(s) and Evaluation Committee during presentations are intended only for purposes of providing clarification in response to questions from Evaluation Committee. These exchanges are not in any way be construed as a "negotiation" of terms by either party.

Upon completion of the oral presentations, the Evaluation / Selection Committee will evaluate, and rank each Respondent based upon the content of their Proposal along with their oral presentation.

4.4 NEGOTIATIONS

The City may award a Contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Proposer's best terms from a monetary and technical standpoint.

Notwithstanding the foregoing, if the City and said Proposer(s) cannot reach agreement on a Contract, the City reserves the right to terminate negotiations and may, at the City Manager's or designee's discretion, begin negotiations with the next lowest responsible and responsive Proposer. This process may continue until a contract acceptable to the City Manager has been executed or all Proposals are rejected. No Proposer shall have any rights against the City arising from such negotiations or termination thereof.

Any Proposer recommended for negotiations may be required to provide to the City:

- 4.4.1** Its most recent certified business financial statements as of a date not earlier than the end of the Proposer's preceding official tax accounting period, together with a statement in writing, signed by a duly authorized representative, stating that the present financial condition is materially the same as that shown on the balance sheet and income statement submitted, or with an explanation for material change in the financial condition. A copy of the most recent business

income tax return will be accepted if certified financial statements are unavailable.

- 4.4.2** Information concerning any prior or pending litigation, either civil or criminal, involving a governmental agency or which may affect the performance of services to be rendered herein, in which the Proposer, any of its employees or Subcontractors is or has been involved within the last three years.

END OF SECTION

SECTION 5.0

PROPOSAL SUBMISSION

IT IS THE RESPONSIBILITY OF THE RESPONDENT TO ENSURE THAT THE PROPOSAL BEING SUBMITTED IS TIMELY, COMPLETE, INCLUSIVE OF ADDRESSING ALL OF THE REQUIREMENTS AND EVALUATION CRITERIA HEREIN.

PLEASE READ THE ENTIRE SOLICITATION BEFORE SUBMITTING A PROPOSAL.

5.1 GENERAL INSTRUCTIONS

Respondents should carefully follow the format and instructions outlined throughout this section, observing format requirements where indicated. All materials (except for plans and schematics, if any) are to be submitted on 8 1/2" X 11" papers, paginated and separated by tabs to identify each required section, neatly typed and double sided. All documents and information must be fully completed and signed as required. When submitting the one (1) complete scanned electronic copy on USB drive or CD in adobe or Word format ensure it is labeled with the your company's name, Solicitation number and title.

Please be concise in all responses. If any category is NOT APPLICABLE, so expressly state. Proposals which do not include the required documents may be deemed NON-RESPONSIVE and may not be considered for evaluation.

5.1.1 COPIES

Please submit an original Proposal, be sure to clearly mark "Original" as such. Five (5) complete copies of the original Proposal and one (1) digital copy on a USB Flash Drive or CD are requested. Each copy of the Proposal is distributed to the Evaluation Committee if your Proposal copies are incomplete your Proposal may be deemed Non-Responsive.

5.1.2 SUBMISSION

Proposals are to be submitted in a sealed envelope bearing the name of the Respondent, company and the address as well as the title and number of the Solicitation by no later than the time and date specified in the Project Timetable section of this Solicitation. **PROPOSALS RECEIVED AFTER THIS TIME WILL NOT BE CONSIDERED AND NO TIME EXTENSIONS WILL BE PERMITTED**

Address your Proposal to:

City of North Miami, Office of the City Clerk, 776 N E 125th Street, North Miami, Florida 33161 (Please clearly mark Proposal).

Responses should be prepared simply and economically, addressing the requirements according to the instructions provided, in a concise manner, written in sufficient detail to permit the City to conduct a meaningful evaluation. Proposal shall be limited in size as to what can fit into a 2 1/2" binder.

5.2 **PROPOSAL FORMAT**

The Proposal must be in the following format. Failure to include responses to Parts I to VII in this Section 5 may result in the Proposer being deemed non-responsive and resulting in the Proposal not being considered. Separate by a physical tab/divider each required and/or non-required document to insure all necessary documents are not overlooked. You can label each tab as 1, 2, 3, etc. If a tab section does not apply to you, you may put "Not Applicable" on the tab divider page or on a sheet of paper.

The Proposal must include the following information:

LABEL EACH SECTION AS NUMBERED

Part I – Qualifications and Experience of the Firm – (30 points)

1. Cover Page Form (**SEE APPENDIX A**)
2. Provide a brief introduction narrative letter highlighting the structure of the firm including component firms, legal nature of organization and number of years in existence and primary markets served; Give the location of the office from which the Work is to be done and the number of partners, managers, supervisors, seniors and other professional staff employed at that office (the "Home Office") that will be assigned to the City's audit. Included in this narrative shall be a list of any exemptions or assumptions made by the Respondent.

Joint Ventures. Two or more Respondents submitting as a Joint Venture must meet the Joint Venture requirements of Section 14-22.007, Florida Administrative Code. Parties to a Joint Venture must submit a Declaration of Joint Venture and Power of Attorney Form No. 375-020-18, Rev. 09/13. If the Proposer is a Joint Venture, the individual empowered by a properly executed Declaration of Joint Venture and Power of Attorney Form shall execute the Proposal. The Proposal shall clearly identify who will be responsible for each of the requested Services.

3. Specifically address the areas listed in Section 2.4 – Qualifications and Experience:
 - a. The firm is a Certified Public Accounting firm in accordance with Section 473.309 Florida Statutes.
 - b. The firm is currently licensed to do business in the State of Florida (Firms shall provide the current license number issued by the Florida Department of Business and Professional Regulation).
 - c. Provide a listing of comparable contracts the firm has conducted for single audits, Federal Single Audits and / or financial audits for at least three (3) public entities within the immediate past five (5) years. The listing should identify the following:
 - 1) Client
 - 2) Description of work
 - 3) Total dollar value of the contract
 - 4) Dates covering the term of the contract
 - 5) Client contact person, phone number and email

- 6) Statement of whether the Proposer is the prime or Sub-consultant
- 7) Results of the project

d. Proof of Insurance (see Section 2.3)

4. Describe the experience and length of time the firm has provided services performing:
 - 1) Audits of governmental entities, including preparing governmental financial statements in conformance with GASB Pronouncements, Statements and Interpretations.
 - 2) Federal Single Audit
 - 3) Florida Single Audit
 - 4) Special Audits for:
 - Landfill Trust
 - GOB Grants from the Miami-Dade County
 - CITT for the 1/2 Cent Transportation Surtax
5. Describe the procedures of the firm for ensuring quality control and the confidentiality of information obtained from clients;
6. Indicate how the firm ensures compliance with applicable independence criteria, including, but not limited to, Government Auditing Standards issued by the Comptroller General of the United States of America (The Yellow Book), Section 473.315, Florida Statutes (Independence) and 61H1-21.001, Florida Administrative Code, Independence. **Each Respondent shall provide with their proposal a statement that they meet the appropriate criteria for independence.**
7. Provide descriptive information on the firm's methodology for compliance with Section 473.3101, Florida Statutes (Licensure of sole proprietors, partnerships, corporations, limited liability companies and other legal entities) and 61H1-20.001, Florida Administrative Code, Types of Certified Public Accountants and Firms.
8. Describe current and projected workloads/contractual obligations and how these obligations will impact the firm's ability to provide the required Services during the required timeline described in Scope of Services

Part II - Qualifications and Experience of Staff - (30 Points)

1. Provide an organization chart showing all key personnel, including their titles, to be assigned to this Project. The chart must clearly identify the Proposer's employees and those of the Sub-consultants and shall include the functions to be performed by the key personnel.
2. Describe the experience, qualifications and other critical information, including relevant experience on previous similar projects, of all key personnel, including those of the Sub-consultant who will be assigned to the Project.
3. The Respondent must submit proof that its professional personnel have received adequate continuing professional education within the preceding two years as defined by the U.S. General Accounting Office's (GAO) Government Auditing Standards;
4. Provide resumes and job and other detailed qualifications on all key personnel who will be assigned to this Project, including any key personnel of Sub-consultants.

Note: It should be understood that it is the intent of the City to insist those indicated as the project team in this RFQ Response actually execute the Project

After Proposal submission, but prior to the award of any Contract issued as a result of the Solicitation, the Proposer has a continuing obligation to advise the City of any changes, intended or otherwise, to the key personnel identified on its Proposal.

Part III - Proposed Approach to Providing the Services (20 Points)

1. Confirm Proposer's ability to fulfill all elements of the Scope of Work (See Section 3.0)
2. Describe the Proposer's methodology including specific policies, procedures or techniques to be used in performing the Services described in the Scope of Work

It is the objective of the City that the successful firm adequately staffs the audit with the appropriate number of experienced and trained personnel to adequately provide the required Services. A trained and experienced manager is required to be active on-site to properly manage and supervise the audit team and daily activities of the audit.

3. Identify the specific individual who would serve the City as the primary on-site person in charge of the financial audit and the single audit (include individual's résumé setting forth qualifications and Government Accounting experience);
4. Include a list of staff expected to be assigned on-site to the audit, their position with the firm, the number of years of experience for each assigned staff member, and number of years of Governmental Accounting experience for each assigned staff member.
 - a. Provide resumes and other detailed qualifications on all key personnel who will be assigned to this Project, including any key personnel of Sub-consultants.
5. Describe the Proposer's approach to the scheduling of Work and prioritizing the City's requests
6. Estimate the hours of availability of the Proposers for the City's required Services, including the hours of availability of Proposers key personnel. If Sub-consultants are utilized, estimate the hours of availability of each Sub-consultant.
7. Address Proposers ability and approach to complying with the reporting requirements in the Scope of Work. Describe the proposed report outline (i.e. sections, contents, etc) and attach a sample report (if available).
8. Describe the Proposers ability and approach to providing the optional Services (Refer to Section 3.3).
9. Provide any information regarding the Proposer's general work plan which the Proposer deems relevant.

Part IV – Minority/Woman Owned Business and/or Small Business Enterprise Participation - (10 Points)

Indicate whether the Respondent or any of its Sub-consultants is classified as either a Minority Owned or Women Owned Business and/or Small Business Enterprise. Please submit proof of current MWB and/or SBE certification.

Part V - References (10 Points)

At a minimum, Proposer must provide at least three (3) references of clients to which it has provided Services similar to the scope of Services requested in this Solicitation. If available, such references should be representatives of Florida public agencies to which the Proposer is currently providing, or has provided, said Services within the last five (5) years.

Part VI – Local Preference

1. The RFQ is subject to section 7-151 of Ordinance 1244 which, except where contrary to federal and state law, or any other funding source requirements, provides that preference be given to local businesses or businesses with a total workforce of 10% residing in the City of North Miami. To satisfy this requirement, the Vendor shall affirm in writing its compliance with either of the following objective criteria.

A local business shall be defined as:

- a) A business that has a valid local business tax receipt, issued by City of North Miami prior to the City's issuance of the Solicitation, that is appropriate for the goods, Services or construction to be purchased or;
- b) A business has at least ten percent (10%) of its total workforce residing in the City prior to the City's issuance of the Solicitation or;
- c) A business that subcontracts at least ten percent (10%) of the contractual amount of a City project with Subcontractors who are physically located within the City.

Respondents seeking the local vendor preference will have the burden of showing that they qualify for this preference to the satisfaction of the City.

Part VII - Contract Forms

All contract forms must be completed (with all blanks filled in), executed and properly notarized. The following forms must be submitted in the following order:

Respondent Registration (if not registered)

Form A-1 Public Entity Crimes Affidavit

Form A-2 Non- Collusive Proposal Certificate

Form A-3 Local Preference Affidavit *(if applicable, attach evidence)*

Form A-5 Acknowledgement of Addenda *(if applicable, attach copies of addendum)*

Form A-6 Disclosure of Sub-consultants *(if applicable)*

Form A-7 Insurance Requirements

Form A-14 References

All of our forms can now be found on our website at: <http://www.northmiamifl.gov/business/purchasing/forms.asp>. These forms are fill-in forms. Please ensure to include all applicable forms with your Proposal documents signed and notarized as required. Emailed forms will NOT be accepted.

In regards to "Form A-5 Acknowledgement of Addenda", it is the sole responsibility of the Respondent to check the City's website at (http://www.northmiamifl.gov/departments/purchasing/current_bids_proposals.aspx) for all applicable addenda.

5.3 APPENDIX FORMS

At minimum each Bidder shall submit the following below. Responses should correspond to each particular section and subsection of the Solicitation and should be labeled accordingly.

i. COVER PAGE FORM (APPENDIX A)

The Cover Page Form shall be submitted as part of the Solicitation. This Form must be completely and neatly filled-in. The Cover Page Form shall include the company name, identify the person authorized by law to render the Services (as registered with the State of Florida Division of Corporations) and title. In addition, the Respondent shall include the mailing address, phone number, fax number and e-mail address.

The Respondent shall identify one person of authority that will receive all notifications from and will be contacted directly by the City as needed in reference to this Solicitation.

ii. SUBMITTAL CHECKLIST (APPENDIX B)

The Submittal Checklist shall be submitted as part of the Bid. A checklist is provided merely for the convenience of the Bidder and may not be relied upon in lieu of the instructions or requirements provided in this Solicitation.

END OF SECTION

**SECTION 6.0
APPENDIXES**





APPENDIX A
COVER PAGE & CONTACT PERSON INFORMATION

INDEPENDENT AUDITING SERVICES
RFQ No. 39-15-16

Include this sheet as the very first page of your Proposal. Please complete the form in its entirety.

Legal Name of Bidder(s): _____

Doing Business As (DBA)
If applicable: _____

Federal Employee
Identification Number (FEIN): _____

Mailing Address: _____

City, State, Zip Code: _____

Contact Name*: _____

Title: _____

Contact Email Address: _____

Contact Telephone Number: _____

Fax Number: _____

*The contact person indicated should be someone the City may contact for any questions or provide any correspondence related to this Solicitation



1. I hereby certify that I am authorized to act on behalf of the Respondent, individual, partnership, corporation or association making this Bid and that all statements made in this document are true and correct to the best of my knowledge.
2. By submitting a Bid, the Respondent certifies that the Respondent has fully read and understands the Solicitation and has full knowledge of the scope, nature, and quality of Work to be performed.
3. Respondent, individual, partnership, corporation or association responding to this Solicitation certifies that all statements made in this document are true and correct to the best of their knowledge. Also the Respondent agrees to hold this offer open for a period of ninety (90) days from the deadline for receipt of Response.
4. Respondent understands and agrees to be bound by the conditions contained in this Solicitation and shall conform to all the requirements.

Name of Company: _____

Authorized Signature: _____

Title of Officer: _____

Appendix B
PROPOSAL SUBMITTAL CHECKLIST

Independent Auditing Services
RFQ No. 39-15-16

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each response. Any Proposal received without any one or more of these sections may be rejected as being non-responsive. Please be advised that this checklist may not necessarily completely include all of the requirements listed throughout this Solicitation. It sets guidelines for consideration, and may be added to as the need arises.

Company Name: _____

| Tab/Page No. | Appendix Forms | OFFICE USE ONLY |
|--------------|--|-----------------|
| | Appendix A: Cover Page/Information Sheet | |
| | Appendix B: Submittal Checklist | |
| Tab/Page No. | Narrative Description | OFFICE USE ONLY |
| | Qualifications and Experience of the Firm | |
| | Qualifications and Experience of Staff | |
| | Proposed Approach to Providing the Services | |
| | Minority Business/Woman Owned Business Preference | |
| | Local Business Preference | |
| Tab/Page No. | City Contract Forms | OFFICE USE ONLY |
| | A-1 Public Entity Crimes Affidavit | |
| | A-2 Non- Collusive Proposal Certificate | |
| | A-3 Local Preference Affidavit <i>(if applicable)</i> | |
| | A-5 Acknowledgement of Addenda <i>(if applicable)</i> | |
| | A-6 Disclosure of Sub-consultants <i>(if applicable)</i> | |
| | A-7 Insurance Requirements | |
| | A-14 References | |

| FOR PURCHASING OFFICE USE ONLY | | |
|-------------------------------------|---|---------------------------------------|
| <input type="checkbox"/> Responsive | <input type="checkbox"/> Non-Responsive | <input type="checkbox"/> Other: _____ |
| Comment: _____ | | |
| | | |



ADDENDUM No. 1

JULY 18, 2016

Solicitation Title: Independent Auditing Services

Solicitation No.: RFQ No. 39-15-16 Opening Date: Monday, August 8, 2016 by 3:30PM

Attention all potential bidders:

- MUST Addendum:** Read carefully and follow all instructions. Information included in this Addendum will have a material impact on the submittal for this solicitation. All "MUST" addenda are considered a matter of responsiveness. "MUST" addenda must be returned with your Bid submittal or acknowledged on Form "A-5" attached to this addendum. Failure of a Submitter to acknowledge the addenda shall be cause for rejection of the bid.

To all prospective bidders, please note the following changes and clarifications:

1. The deadline for submittal of questions and requests for clarification has been extended as follows:

ADDITIONAL INFORMATION & CLARIFICATION DEADLINE:

~~WEDNESDAY, JULY 13, 2016~~ **WEDNESDAY, JULY 27, 2016** BY NO LATER THAN 4:00PM **3:30PM** (LOCAL TIME)

2. The deadline for submittal for proposals has been extended as follows:

RESPONSE SUBMISSION DATE AND TIME:

~~FRIDAY, JULY 22, 2016~~ **MONDAY, AUGUST 8, 2016** BY NO LATER THAN **3:30PM** (LOCAL TIME)

3. The required contract forms for this Solicitation can be found on the City's website linked below:

<http://www.northmiamifl.gov/departments/purchasing/forms.aspx>

4. **NOTE: PLEASE BE ADVISED THAT THE CITY IS IN RECEIPT OF NUMEROUS QUESTIONS FROM INTERESTED APPLICANTS. STAFF WILL BE ISSUING ADDENDA IN RESPONSE TO THESE QUESTIONS WITHIN THE NEXT FEW DAYS.**

For any other questions, clarification can be found in the specifications.

All other terms, conditions and specifications remain unchanged for this solicitation.

End of Addendum



ADDENDUM No. 2

AUGUST 1, 2016

Solicitation Title: Independent Auditing Services

Solicitation No.: RFQ No. 39-15-16 Opening Date: Monday, August 15, 2016 by 3:30PM

Attention all potential bidders:

- MUST Addendum:** Read carefully and follow all instructions. Information included in this Addendum will have a material impact on the submittal for this solicitation. All "MUST" addenda are considered a matter of responsiveness. "MUST" addenda must be returned with your Bid submittal or acknowledged on Form "A-5" attached to this addendum. Failure of a Submitter to acknowledge the addenda shall be cause for rejection of the bid.

To all prospective bidders, please note the following changes and clarifications:

1. The deadline for submittal for proposals has been extended as follows:

RESPONSE SUBMISSION DATE AND TIME:

~~MONDAY, AUGUST 8, 2016~~ **MONDAY, AUGUST 15, 2016 BY NO LATER THAN 3:30PM (LOCAL TIME)**

2. Item C of Section 3.2 SCOPE OF SERVICES is being revised as follows:

C. Special Audits - The contracted CPA firm will perform Special Audits for:

- (a) Landfill Trust.
- ~~(b) GOB Grants from Miami-Dade County~~
- ~~(c) CITT for the ½ Cent Transportation Surtax~~

Request for Information Questions/Clarification:

Q.1 "Is there a mandatory rotation of auditors after the 5 year contract?"

A.1 A rotation of auditors is not mandatory. The City will issue a new Solicitation once this contract either expires or is terminated.

Q.2 "How long has the current auditor been performing this audit?"

A.2 The current auditor has been performing this audit since being awarded in January of 2011.

- Q.3** “Is the incumbent auditor precluded from submitting a bid?”
- A.3** No, the incumbent auditor is not precluded from submitting a bid.
- Q.4** “Page 12 of 34, item b) Respondent must submit proof that it is independent and duly licensed under Florida Statute..... et al). Would providing a copy of our license as a registered CPA firm from the State of Florida, Department of Business and Professional Regulations suffice?”
- A.4** The minimum qualifications required to be eligible for consideration under this Solicitation are spelled out in Section 2.4 of the Special Conditions.
- Q.5** “Page 12 of 34, item c) Respondent must submit proof that it has performed governmental financial audits for a minimum of 5 years. Would submitting a listing of governmental clients which we provide these services to suffice?”
- A.5** All references must be submitted using Contract Form A-14 and providing current contact information for each client.
- Q.6** “Page 12 of 34, item d) Respondent must submit proof that it has conducted federal and state single audits for at least 3 governmental entities within the past 5 years. Would submitting a listing of governmental clients which we provide these services to suffice.”
- A.6** See A.5
- Q.7** “Can you provide a copy of the last auditor’s contract?”
- A.7** A copy of the last auditor’s contract is attached (see “Attachment A”).
- Q.8** “When should proposing firms expect to hear the results of the proposals (shortlisting, etc.)?”
- A.8** Each Respondent will be notified of the evaluation results following conclusion of the Evaluation Committee’s review.
- Q.9** “What are the names/titles of the individuals who compose the “evaluation/selection committee?”
- A.9** An Evaluation Committee has not been appointed for this Solicitation as of the issuance date of this addendum.
- Q.10** “What were the audit fees for fiscal year ending September 30, 2015 and 2014?”
- A.10** The fees for fiscal years ending September 30, 2015 and September 30, 2014 were \$109,600 and \$107,580 respectively.
- Q.11** “We noticed that in the RFQ on page 19 it states that there are 3 special audits to be performed including a “CITT for the ½ Cent Transportation Surtax”. It was our understanding that this was no longer required.”

- A.11** This special audit is being removed from the Solicitation (see Paragraph 1 above). The CITT audit is done by Miami-Dade County.
- Q.12** “In fiscal year 2015, were there any additional services provided by the current auditors? If so, what were they and what were the fees?”
- A.12** The audit of the Landfill Closure Escrow account and the City of North Miami Community Redevelopment Agency (CRA) audit. Moving forward, the CRA audit will be a separately bid audit. The overall fees listed under the above Paragraph A.10 were inclusive of these audits.
- Q.13** “Fees for 2015 audit.”
- A.13** See above Paragraph A.10.
- Q.14** “Can you provide the special audit reports for FYE 9/30/2015”?
- A.14** See “Attachment B”.
- Q.15** “How has the City addressed the deficiencies noted in the 9/30/2015 CAFR?”
- A.15** See the City’s responses to the findings noted in the CAFR. The City’s CAFR can be found on the City’s website linked below:
<http://www.northmiamifl.gov/departments/finance/cafr.aspx>
- Q.16** “Can you provide a copy of the auditor’s most recent engagement letter?”
- A.16** See “Attachment A”.
- Q.17** “Can you provide the audit reports for the last three fiscal years along with corresponding management letter?”
- A.17** The City’s CAFR can be found on the City’s website linked below:
<http://www.northmiamifl.gov/departments/finance/cafr.aspx>
- Q.18** “How much were the fees for each year of the last contract period and extension years (for the last auditors, or, at a minimum, for the last 5 years?”
- A.18** The fees for the last contract period and extension years were as follows: \$109,600 for Fiscal Year 2015, \$107,580 for Fiscal Year 2014, and \$107,995 for Fiscal Year 2013.
- Q.19** “Were any additional services provided by the previous audit firm? If so, what were the services and related fees?”
- A.19** Yes, the audit of the Landfill Closure Escrow account. In FY 2015, the auditor also performed the audit of the City’s CRA. The overall fees listed under the above Paragraph A.10 were inclusive of these audits. The CRA audit is now a separately bid audit.
- Q.20** “Do you expect additional services to be performed by the auditors for the 2016 fiscal year end? If so, what services?”
- A.20** Yes, the audit of the Landfill Closure Escrow account. In addition, the City may also request the awarded firm to provide additional services on an as-needed

basis.

Q.21 “How long were the auditors in the field?”

A.21 Approximately three (3) months.

Q.22 “What was the time frame (month(s)) the auditors were in the field?”

A.22 See above Paragraph A.21.

Q.23 “What were the auditor’s total hours?”

A.23 This information is not currently available to the City.

Q.24 “Does the organization expect a significant increase or decrease in federal funding that will impact reporting requirements?”

A.24 No, the City does not expect a significant increase or decrease in federal funding that would impact reporting requirements.

Q.25 “Does the organization expect a significant increase or decrease in state funding that will impact reporting requirements?”

A.25 No, the City does not expect a significant increase or decrease in state funding that would impact reporting requirements.

Q.26 “Will staff or auditors be responsible for preparing the CAFR, financial statements and notes, thereto?”

A.26 The City will prepare the CAFR, Financial Statements and Notes. Auditors are expected to review and provide value through best practice recommendations.

Q.27 “Will staff or auditors be responsible for duplicating and binding the CAFR?”

A.27 The City is responsible for binding and reproduction of the CAFR.

Q.28 “When will the books be closed and when will the auditors be able to get the final trial balance?”

A.28 The City expects a final trial balance (with accruals, etc.) by the start of January 2017.

Q.29 “Do you expect any major changes in revenues, expenditures, assets or liabilities that may affect the audit and/or risk?”

A.29 No, the City does not expect any major changes in revenues, expenditures, assets or liabilities that may affect the audit and/or risk.

Q.30 “Can the professional liability insurance be reduced to \$1 million or less to be more in line with anticipated contract fees?”

A.30 Yes, Professional liability limits of \$1 million will be accepted.

Q.31 “Can the worker’s compensation insurance requirement be in accordance with Florida Statutes?”

A.31 The Worker’s Compensation “Statutory” is as required by Florida Statutes. Regarding Employer’s Liability, the minimum limit will remain at \$1.0 million per

City standards.

Q.32 “Would you please provide a copy of the latest special audit that was performed for the Landfill Trust (page #4 on page 27 of the RFQ)?”

A.32 See “Attachment B”.

Q.33 “Are the Pension Trust funds included or excluded as a component of the scope of the annual audit examination?”

A.33 Pension Trust funds are excluded from the scope.

Q.34 “Is the Community Re-development Agency (CRA) included or excluded within the scope of the annual audit examination?”

A.34 The CRA is excluded from the scope.

Q.35 “Please provide the following information: Prior year audit fees and estimated hours to complete the audit.

A.35 Audit fees for the prior year were \$109,600. The estimated hours to complete the audit are currently unavailable to the City.

Q.36 “Please provide the following information: Prior year audit reports or indicate where to find them for the Landfill Trust, GOB Grants, and CITT ½ cent transportation surtax audits.

A.36 A copy of the Landfill audit is included as Attachment B of this addendum. Audits for GOB Grants and CITT are not applicable (see Paragraph 1).

Q.37 “Please provide the following information: Annual budgets for federal and single audits.

A.37 Federal and single audits are not budgeted separately, they are included as part of the entire annual audit budget.

Q.38 What is the budget for this audit?

A.38 The budget is \$102,000.

Q.39 Do you have an anticipated deadline for the audit to be completed?

A.39 March 31, 2017

Q.40 Who were your previous auditors? How long had they been performing the audit?

A.40 Our previous auditor was Harvey, Covington & Thomas, LLC. They have been performing this audit since being awarded on January 2011.

Q.41 Can you please provide a copy of the audit report?

A.41 The document can be found on the City’s website linked below:

<http://www.northmiamifl.gov/departments/finance/cafr.aspx>

Q.42 Can you please provide a copy of your last two financial statements?

A.42 The document can be found on the City’s website linked below:

- Q.43** What were your prior contract fees for each of the past three (3) years?
- A.43** See above Paragraph A.18
- Q.44** Are your prior year auditors included or excluded from the current RFP process?
- A.44** See above Paragraph A.3
- Q.45** What do you like about the service provided by your current auditing firm? What don't you like?
- A.45** Pursuant to Section 2.15 of this Solicitation, anyone may submit questions or requests for clarification regarding the Solicitation and the scope of work contained therein. This question does not address any areas encompassed by this Solicitation.
- Q.46** Are there any special qualities you are looking for in the firm you select?
- A.46** The City is looking for a firm that is competent, experienced and meets the qualification requirements spelled out under Section 2.4 of this Solicitation.
- Q.47** How many auditors and how many weeks were the prior auditors on site, for interim and year-end field work?
- A.47** Approximately two (2) weeks for interim and up to seven (7) weeks for year-end. Approximately nine (9) weeks of fieldwork.
- Q.48** Have any obstacles been encountered that prevented fieldwork from occurring as agreed to by the City and prior auditor?
- A.48** None.
- Q.49** Were there any major changes in the engagement requested in the RFQ compared to last year's engagement?
- A.49** None.
- Q.50** What were the approximate hours that the prior year auditors accrued for the entire audit? If unavailable, please let us know the number of weeks the prior year auditors were in the field?
- A.50** Approximate hours are currently unavailable to the City. The auditors were in the field for approximately nine (9) weeks in total.
- Q.51** How many audit adjustments were proposed by the auditors?
- A.51** Approximately ten AJE's.
- Q.52** How many journal entries were proposed by the prior auditor and how many findings did they issue?
- A.52** Approximately ten JE's and five "findings" were noted.
- Q.53** How many major programs are usually tested each year for the Single audit?
- A.53** One major program.

Q.54 Did the auditor's perform any other service?

A.54 See above Paragraph A.12

Q.55 What assistance will be provided to the auditors by City staff (i.e. preparation of the various reconciliations, schedules, confirmations, drafting financial statements and the related footnotes, etc.)?

A.55 Yes, the City will provide trial balances, supporting schedules, reconciliations and CAFR including footnotes. We will prepare requested confirmations and auditors will independently send them out.

Q.56 Any changes in your operations, funding, personnel, etc. in 2015-2016 period compared to 2014-2015?

A.56 There have been several administrative changes since 2014-2015, including a new City Manager and new Finance Director. Moreover, there will also be additional staff available in the Finance Department this year compared to prior years.

For any other questions, clarification can be found in the specifications.

All other terms, conditions and specifications remain unchanged for this solicitation.

End of Addendum

Addendum 2 - Attachment A

**CITY OF NORTH MIAMI
SECOND RENEWAL TO
PROFESSIONAL SERVICES AGREEMENT
(RFP #04-10-11)**

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (“Second Amendment”) is made and entered into this ____ day of 4/9/2015, 2015, by and between the **City of North Miami**, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL (“City”) and **HCT Certified Public Accountants & Consultant, LLC**, f/k/a, **Harvey, Covington & Thomas of South Florida, LLC**, a limited liability company organized and existing under the laws of the State of Florida, having its principal office at 3816 Hollywood Boulevard, Suite 203, Hollywood, FL 33021 (“Contractor”). The City and Contractor shall collectively be referred to as the “Parties”, and each may individually be referred to as a “Party”.

RECITALS

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11 Independent Auditing Services* (“RFP”), to obtain proposals from qualified Certified Public Accounting firms to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP (“Services”); and

WHEREAS, the City Manager established the City’s Audit Committee (“Committee”) to review proposals and assist the City in selecting an independent Certified Public Accounting firm, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on January 4, 2011, the Committee completed its review and ranking of all the respondents and selected Contractor as the most responsive responsible provider of Services, whose qualifications, references and fee schedule demonstrated to be the most advantageous to the City; and

WHEREAS, on January 11, 2011, the City Council passed and adopted Resolution Number 2011-1, approving the selection of the Contractor and authorized the City Manager and City Attorney to negotiate and execute an agreement, in accordance with RFP requirements; and

WHEREAS, on January 26, 2011, the Parties executed an agreement for the provision of Services (“Agreement”), for a term commencing on October 1, 2010, through September 30, 2013 (“Initial Term”); and

WHEREAS, following the Initial Term, the City retained the option of renewing the Agreement in writing for an additional three (3) years, on a year-by-year basis; and

WHEREAS, on January 11, 2014, the Parties amended the Agreement allowing the City to exercise the option of the first renewal period commencing January 11, 2014 through January 10, 2015 (“First Option Period”); and

WHEREAS, the City Manager finds that entering into this Second Amendment exercising the second option to renew the Agreement for a period of one (1) year for the continued provision of required Services, is in the best interest of the City.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

1. The Parties hereby acknowledge Contractor's merger from Harvey, Covington & Thomas of South Florida, LLC, to HCT Certified Public Accountants & Consultant, LLC, as filed with the State of Florida, Division of Corporations.

2. The Parties agree that this Second Amendment is incorporated into and made part of the Agreement dated, January 26, 2011 (attached hereto as "Exhibit A"); as amended by the First Renewal, dated January 11, 2014 (attached hereto as "Exhibit B"); and as authorized by Resolution No. R-2011-1, dated January 11, 2011 (attached hereto as "Exhibit C").

3. The Parties hereby amend the Agreement, as amended, to extend the provision of Services to the City for an additional period of one (1) year, commencing January 11, 2015, through January 10, 2016 ("Second Option Period").

4. The City shall pay Contractor the amount not to exceed One Hundred Nine Thousand Dollars (\$109,600.00), as full compensation for the provision of Services throughout the Second Option Period, in accordance with Contractor's fee schedule dated October 21, 2014 (attached hereto as Exhibit "D").

5. The City Manager shall have the right to terminate this Agreement, in his sole discretion at any time, with or without cause, upon thirty (30) days written notice to Contractor. The City shall not be liable to Contractor for any compensation, or for any consequential or incidental damages or loss of profits.

5.1 The City shall pay Contractor compensation for Services rendered up to the effective date of such termination. Contractor shall stop Services on the date specified in the written notice and agrees that termination shall not release Contractor from any obligations accruing prior to the effective date of termination.

6. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties.

7. This Second Amendment shall be binding upon the Parties hereto, their successors in interest, heirs, executors, assigns and personal representatives.

8. The Contractor warrants that any and all work, materials, services or equipment that may reasonably be inferred from the Contract Documents (as defined in the Agreement, as subsequently amended) as being required to produce the intended result, will be supplied by the Contractor at its own cost, whether or not specifically called for.

9. In the event of any dispute arising under or related to this Second Amendment, the prevailing Party shall be entitled to recover all actual attorney fees, costs and expenses incurred by it in connection with that dispute and/or the enforcement of this Second Amendment, including all such actual attorney fees, costs and expenses at all judicial levels, including appeal, until such dispute is resolved with finality.

10. All other terms of the Agreement, as subsequently amended, which have not been modified by this Second Amendment, shall remain in full force and effect.

11. This Second Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

HCT Certified Public Accountants & Consultant,
LLC, f/k/a, Harvey, Covington & Thomas of South
Florida, LLC, a Florida limited liability company,
"Contractor":

Corporate Secretary or Witness:

DocuSigned by:
By: Ramona Sutton
3FF8AF1B5CAA4C1...
Print Name: Ramona Sutton
Date: 4/9/2015

DocuSigned by:
By: Roderick Harvey
38C8B2B71CEC427...
Print Name: Roderick Harvey
Date: 4/9/2015

ATTEST:

City of North Miami, a Florida municipal
Corporation,
"City":

DocuSigned by:
By: [Signature]
2C7010B72EE8414...
Michael A. Etienne
City Clerk

DocuSigned by:
By: Aleem Ghany
AD8C42C3AF4E44B...
Aleem A. Ghany
City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

DocuSigned by:
By: Regine Monestime
9287BB91BC7E443...
Regine M. Monestime
City Attorney

Exhibit "A"

**CITY OF NORTH MIAMI
PROFESSIONAL SERVICES AGREEMENT
(RFP #04-10-11)**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 26th day of January, 2011 by and between the **City of North Miami**, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL ("City") and **Harvey, Covington & Thomas of South Florida, LLC**, a limited liability company organized and existing under the laws of the State of Florida, having its principal office at 3816 Hollywood Boulevard, Suite 203, Hollywood, FL 33021 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11, Independent Auditing Services* ("RFP") to obtain proposals from qualified Certified Public Accounting firms to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, the City Manager established the City's Audit Committee to review proposals and assist the City in selecting an independent Certified Public Accounting firm, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on January 4, 2011, the City's Audit Committee completed its review and ranking of all respondents and selected Contractor as the most responsive and responsible provider of Services, whose qualifications, references and cost demonstrated to be the most advantageous to the City; and

WHEREAS, on January 11, 2011, the City Council approved the selection of the Contractor by Resolution and authorized the City Attorney and City Manager to negotiate and execute an agreement, in accordance with the RFP.

NOW THEREFORE, in consideration of the mutual terms and conditions set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

ARTICLE 1 - RECITALS

1.1 The recitals are true and correct and are hereby incorporated into and made a part of this Agreement.

ARTICLE 2 - CONTRACT DOCUMENTS

2.1 The following documents are incorporated into and made part of this Agreement (collectively referred to as the "Contract Documents"):

2.1.1 City of North Miami Request for Proposal #04-10-11, Independent Auditing Services, attached hereto by reference;

- 2.1.2 Contractor's response to the RFP ("Proposal"), attached hereto by reference;
- 2.1.3 Contractor's Fee Schedule, attached hereto as "Attachment A"; and
- 2.1.4 Any additional documents which are required to be submitted by Contractor pursuant to Contract Documents.

2.2 In the event of any conflict between the Contract Documents or any ambiguity or missing specification or instruction, the following priority is hereby established:

- 2.2.1 Specific written direction from the City Manager or City Manager's designee.
- 2.2.2 This Agreement.
- 2.2.3 The RFP.

2.3 The Parties agree that Contractor is responsible for clarifying any ambiguity, conflict, discrepancy, omission, or other error found in the RFP prior to Contractor submitting its Proposal or the right to clarify same shall be waived.

ARTICLE 3 - TIME FOR PERFORMANCE

3.1 The initial term of this Agreement shall be three (3) years commencing on October 1, 2010, and ending on September 30, 2012 ("Initial Term").

3.2 Following the Initial Term, the City shall have the option to renew this Agreement in writing for an additional three (3) years, on a year-by-year basis.

3.3 Contractor agrees that the performance of Services shall be pursued on schedule, diligently and uninterrupted at a rate of progress which will ensure full completion within the agreed term. Failure to render Services timely shall be regarded as a material breach of this Agreement, subject to the appropriate remedies available at law.

3.4 When, in the opinion of the City, reasonable grounds for uncertainty exist with respect to the Contractor's ability to perform Services or any portion thereof, the City may request that the Contractor, within a reasonable time frame set forth in the City's request, provide adequate assurances to the City in writing, of Contractor's ability to perform in accordance with terms of this Agreement. In the event that the Contractor fails to provide the City the requested assurances within the prescribed time frame, the City may treat such failure as a repudiation or breach of this Agreement, and resort to any remedy for breach provided for in this Agreement or at law.

ARTICLE 4 - COMPENSATION

4.1 For the provision of Services, Contractor shall be paid for each fiscal year, the amounts indicated in Attachment A. Total compensation for the entire term of the Agreement, including the stated options to renew, shall not exceed Six Hundred Twenty Three Thousand Dollars and no/100 cents (\$623,600.00). Funding for this Agreement is contingent on the availability of funds and the Agreement is subject to amendment or termination due to lack of funds or a reduction of funds, upon ten (10) days written notice to Contractor.

Six hundred
Twenty Three

4.2 The City shall pay Contractor within forty-five (45) days of receipt of invoice the total shown to be due on such invoice, provided the City has accepted the Services.

ARTICLE 5 - CONTRACTOR'S RESPONSIBILITIES

5.1 As an inducement for the City to enter into this Agreement, Contractor has represented an expertise in the provision of Services on similar public entity auditing services. In reliance upon those representations, the City has entered into this Agreement with Contractor for the provision of Services.

5.2 Contractor shall supervise and direct the work competently and efficiently, devoting such attention and applying Contractor's best skill, attention and expertise. Contractor shall be solely responsible for and have control over the means, methods, techniques, sequences and procedures of the work and shall ensure that the finished Services accurately comply with the Contract Documents, state and federal laws.

5.3 Pursuant to Contract Documents, Contractor shall comply with the City's Local Preference Code requirements by assigning no less than ten percent (10%) of the total contract amount, on an annual basis, to the firm of Arland Pierre-Canel, CPA, LLC.

5.4 Contractor shall perform the Services in accordance with that degree of care and skill ordinarily exercised by reputable members of its profession.

ARTICLE 6 - SCOPE OF SERVICES

6.1 The Contractor shall provide all required labor, supervision, materials, equipment, tools, transportation, services and expertise necessary for the completion of Services, under the terms, conditions and specifications contained in the Contract Documents.

6.2 Contractor represents and warrants to the City that: (i) Contractor possesses all qualifications, licenses and expertise required for the provision of Services, with personnel fully licensed by the State of Florida; (ii) Contractor is not delinquent in the payment of any sums due the City, including payment of permit fees, local business taxes, or in the performance of any obligations to the City; (iii) all personnel assigned to perform work shall be, at all times during the term hereof, fully qualified and trained to perform the tasks assigned to each; (iv) the Services will be performed in the manner and at such times and locations as described by the City for the budgeted amount; and (v) the person executing this Agreement on behalf of Contractor is duly authorized to execute same and fully bind Contractor as a party to this Agreement.

6.3 Contractor agrees and understands that: (i) any subcontractors used by Contractor shall be paid by Contractor and not paid directly by the City; and (ii) any and all liabilities regarding payment to or use of subcontractors for any of the work related to this Agreement shall be borne solely by Contractor.

6.4 Services conducted onsite shall be performed between the hours of 8:00 am and 5:00 pm on weekdays, except for holidays observed by the City.

ARTICLE 7 - INDEPENDENT CONTRACTOR

7.1 Contractor has been procured and is being engaged by the City as an independent contractor, and not as an agent or employee of the City. Accordingly, Contractor shall not attain, nor be entitled to, any rights or benefits under the Civil Service or Pension Ordinances of the City, nor any rights generally afforded classified or unclassified employees of the City. Contractor further understands that Florida workers' compensation benefits available to employees of the City, are not available to Contractor. Therefore, Contractor agrees to provide workers' compensation insurance for any employee or agent of Contractor rendering services to the City under this Agreement.

ARTICLE 8 - CONFLICTS OF INTEREST

8.1 Contractor represents and warrants to the City that it has not employed or retained any person or company employed by the City to solicit or secure this Agreement and that it has not offered to pay, paid, or agreed to pay any person any fee, commission, percentage, brokerage fee, or gift of any kind contingent upon or in connection with, the award of this Agreement.

8.2 Contractor covenants that no person under its employ who presently exercises any functions or responsibilities on behalf of the City in connection with this Agreement has any personal financial interest, directly or indirectly, with contractors or vendors providing professional construction services on projects assigned to the Contractor, except as fully disclosed and approved by the City. Contractor further covenants that, in the performance of this Agreement, no person having such conflicting interest shall be employed.

ARTICLE 9 - DEFAULT

9.1 If Contractor fails to comply with any term or condition of this Agreement, or fails to perform any of its obligations hereunder, then Contractor shall be in default. The City shall have the right to terminate this Agreement, in the event Contractor fails to cure a default within five (5) business days after receiving Notice of Default. Contractor understands and agrees that termination of this Agreement under this section shall not release Contractor from any obligations accruing prior to the effective date of termination.

ARTICLE 10 - CITY'S TERMINATION RIGHTS

10.1 The City shall have the right to terminate this Agreement, in its sole discretion at any time, with or without cause, upon ten (10) days written notice to Contractor. In such event, the City shall pay Contractor compensation for Services rendered prior to the effective date of termination. The City shall not be liable to Contractor for any additional compensation, or for any consequential or incidental damages.

ARTICLE 11 - NOTICES

11.1 All notices, demands, correspondence and communications between the City and Contractor shall be deemed sufficiently given under the terms of this Agreement when dispatched by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To Contractor: Harvey, Covington & Thomas, LLC
Attn: Roderick Harvey, CPA
3816 Hollywood Blvd., Suite 203

extension is in effect. Contractor shall not continue to perform the Services required by this Agreement unless all required insurance remains in full force and effect.

14.2 All insurance policies required of the Contractor shall be written by a company with a Best's rating of B+ or better and duly authorized and licensed to do business in the State of Florida and be executed by duly licensed managers upon whom service of process may be made in Miami-Dade County, Florida.

ARTICLE 15 - FORCE MAJEURE

15.1 A "Force Majeure Event" shall mean an act of God, act of governmental body or military authority, fire, explosion, power failure, flood, storm, hurricane, sink hole, other natural disasters, epidemic, riot or civil disturbance, war or terrorism, sabotage, insurrection, blockade, or embargo. In the event that either Party is delayed in the performance of any act or obligation pursuant to or required by the Agreement by reason of a Force Majeure Event, the time for required completion of such act or obligation shall be extended by the number of days equal to the total number of days, if any, that such Party is actually delayed by such Force Majeure Event. The Party seeking delay in performance shall give notice to the other Party specifying the anticipated duration of the delay, and if such delay shall extend beyond the duration specified in such notice, additional notice shall be repeated no less than monthly so long as such delay due to a Force Majeure Event continues. Any Party seeking delay in performance due to a Force Majeure Event shall use its best efforts to rectify any condition causing such delay and shall cooperate with the other Party to overcome any delay that has resulted.

ARTICLE 16 - PUBLIC RECORDS

16.1 Contractor understands that the public shall have access, at all reasonable times, to all documents and information pertaining to City contracts, subject to the provisions of Chapter 119, Florida Statutes, and agrees to allow access by the City and the public to all documents subject to disclosure under applicable law.

ARTICLE 17 - MISCELLANEOUS PROVISIONS

17.1 No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

17.2 All representations, indemnifications, warranties and guarantees made in, required by, or given in accordance with this Agreement, as well as all continuing obligations indicated in the Contract Documents, shall survive final payment, completion and acceptance of the Services and termination or completion of the Agreement.

17.3 Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.

Hollywood, FL 33021
Phone: (904) 966-4435
Fax: (904) 962-7747

To City: City of North Miami
Attn: City Manager
776 N.E. 125th Street
North Miami, Florida 33161

With a copy to: City Attorney
City of North Miami
776 N.E. 125th Street
North Miami, Florida 33161

11.2 Either Party may at any time designate a different address and/or contact person by giving notice as provided above to the other Party. Such notices shall be deemed given upon receipt by the addressee.

11.3 In the event there is a change of address and the moving Party fails to provide notice to the other Party, then notice sent as provided in this Article shall constitute adequate notice.

ARTICLE 12 - INDEMNIFICATION

12.1 The Contractor shall defend, indemnify and hold harmless the City, its officers and employees from and against any and all claims, costs, losses and damages including, but not limited to reasonable attorney's fees, caused by the negligent acts or omissions of the Contractor, its officers, directors, agents, partners, subcontractors, employees and managers in the performance of the Services under this Agreement.

12.2 Nothing contained in this Agreement is any way intended to be a waiver of the limitation placed upon the City's liability as set forth in Chapter 768, Florida Statutes. Additionally, the City does not waive sovereign immunity, and no claim or award against the City shall include attorney's fees, investigative costs or pre-judgment interest.

ARTICLE 13 - WARRANTY

13.1 The Contractor warrants that Services, whether furnished by the Contractor, its subcontractors or suppliers will comply with the Contract Documents.

ARTICLE 14 - INSURANCE & BONDS

14.1 Prior to the execution of this Agreement, the Contractor shall submit certificate(s) of insurance evidencing the required coverage and specifically providing that the City is an additional named insured. Contractor shall not commence Services until after Contractor has obtained all of the minimum insurance described in the RFP, and the policies of such insurance detailing the provisions of coverage have been received and approved by the City. In the event the insurance certificate provided indicates that the insurance shall terminate and lapse during the term of this Agreement, Contractor shall furnish, at least thirty (30) calendar days prior to expiration of the date of the insurance, a renewed certificate of insurance as proof that equal and like coverage and

17.4 This Agreement constitutes the sole and entire agreement between the Parties. No modification or amendments to this Agreement shall be binding on either Party unless in writing and signed by both Parties.

17.5 This Agreement shall be construed and enforced according to the laws of the State of Florida. Venue in any proceedings between the Parties shall be in Miami-Dade County, Florida.

17.6 The City reserves the right to audit the records of the Contractor covered by this Agreement at any time during the provision of Services and for a period of three years after final payment is made under this Agreement.

17.7 The Contractor agrees to comply with and observe all applicable federal, state, and local laws, rules, regulations, codes, and ordinances, as they may be amended from time to time.

17.8 The Contractor agrees that it shall not discriminate as to race, sex, color, creed, national origin, or disability, in connection with its performance under this Agreement.

17.9 All other terms and conditions set forth in the RFP which have not been modified by this Agreement, shall remain in full force and effect.

17.10 The professional Services to be provided by Contractor pursuant to this Agreement shall be non-exclusive, and nothing herein shall preclude the City from engaging other firms to perform Services.

17.11 This Agreement shall be binding upon the Parties herein, their heirs, executors, legal representatives, successors and assigns.

17.12 This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

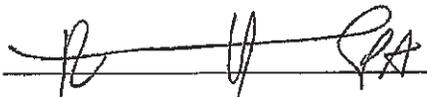
ATTEST:

Harvey, Covington & Thomas, LLC, a Florida limited liability company:

Corporate Secretary or Witness:

"Contractor"

By: _____

By: 

Print Name: _____

Print Name: FREDERICK HARVEY CPA, LPA

Title: _____

Title: PARTNER

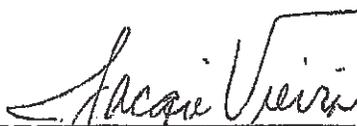
Date: _____

Date: 1/26/2011

ATTEST:

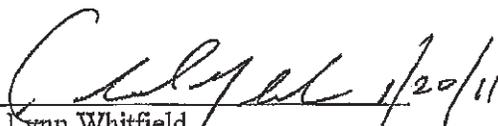
City of North Miami, a Florida municipal Corporation:

"City"

By: 
Jacqui Vieira
Deputy City Clerk

By: 
Russell Benford
City Manager

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:


V. Lynn Whitfield
City Attorney

COPY

4. Special Audits

- a. Landfill Trust - The proposer shall provide a firm fixed price for completing the Single Audit of the City according to the following schedule;

| Fiscal Year Ending | Price |
|--------------------|-----------------|
| September 30, 2010 | \$ <u>800</u> |
| September 30, 2011 | \$ <u>800</u> |
| September 30, 2012 | \$ <u>900</u> |
| September 30, 2013 | \$ <u>900</u> |
| September 30, 2014 | \$ <u>1,000</u> |
| September 30, 2015 | \$ <u>1,000</u> |

- b. GOB Grants from Miami-Dade County - The proposer shall provide a firm fixed price for completing the GOB Grants from Miami-Dade County Audit of the City according to the following schedule:

| Fiscal Year Ending | Price |
|--------------------|-----------------|
| September 30, 2010 | \$ <u>2,800</u> |
| September 30, 2011 | \$ <u>2,800</u> |
| September 30, 2012 | \$ <u>3,000</u> |
| September 30, 2013 | \$ <u>3,000</u> |
| September 30, 2014 | \$ <u>3,200</u> |
| September 30, 2015 | \$ <u>3,200</u> |

- c. CITT for the 1.2 Cent Transportation Surtax - The proposer shall provide a firm fixed price for completing the CITT for the 1.2 Cent Transportation Surtax Audit of the City according to the following schedule:

| Fiscal Year Ending | Price |
|--------------------|-----------------|
| September 30, 2010 | \$ <u>2,000</u> |
| September 30, 2011 | \$ <u>2,000</u> |
| September 30, 2012 | \$ <u>2,200</u> |
| September 30, 2013 | \$ <u>2,200</u> |
| September 30, 2014 | \$ <u>2,400</u> |
| September 20, 2015 | \$ <u>2,400</u> |

Harvey Covington

COPY

Attachment A

FEE SCHEDULE:

1. Annual Examination - The proposer shall provide a firm fixed price for completing the annual examination of the financial statements of the City according to the following schedule:

| Fiscal Year Ending | Price |
|--------------------|------------------|
| September 30, 2010 | \$ <u>79,000</u> |
| September 30, 2011 | \$ <u>80,000</u> |
| September 30, 2012 | \$ <u>82,000</u> |
| September 30, 2013 | \$ <u>84,000</u> |
| September 30, 2014 | \$ <u>85,000</u> |
| September 30, 2015 | \$ <u>87,000</u> |

2. Single Audit - The proposer shall provide a firm fixed price for completing the Single Audit of the City according to the following schedule:

| Fiscal Year Ending | Price |
|--------------------|-----------------|
| September 30, 2010 | \$ <u>7,000</u> |
| September 30, 2011 | \$ <u>7,000</u> |
| September 30, 2012 | \$ <u>7,500</u> |
| September 30, 2013 | \$ <u>7,500</u> |
| September 30, 2014 | \$ <u>8,000</u> |
| September 30, 2015 | \$ <u>8,000</u> |

- ~~3. Federal Single Audit - The proposer shall provide a firm fixed price for completing the Single Audit of the City according to the following schedule:~~

| Fiscal Year Ending | Price |
|--------------------|-----------------|
| September 30, 2010 | \$ <u>7,000</u> |
| September 30, 2011 | \$ <u>7,000</u> |
| September 30, 2012 | \$ <u>7,500</u> |
| September 30, 2013 | \$ <u>7,500</u> |
| September 30, 2014 | \$ <u>8,000</u> |
| September 30, 2015 | \$ <u>8,000</u> |

5. Additional Services - It is anticipated that the proposer would use staff with a variety of skill and experience levels in providing any additional services contemplated in Section 3.0. of the RFP. Therefore, firms shall provide a comprehensive hourly rate for each type of staff, using the generic guide below. The firm may propose a separate schedule for each type of additional service offered by the proposer. It is expected that the City would authorize additional services on an individual basis. The City would jointly determine with the Firm a not-to-exceed price for each project, using the contractually established rates.

| ILLUSTRATIVE GUIDE FOR PROPOSING HOURLY PRICE FOR ADDITIONAL SERVICES | | | | |
|---|---------------|---------------------|-------------------|-----------------------------|
| LEVEL | EXPERIENCE | HOURLY BILLING RATE | QUALIFICATIONS | RESPONSIBILITIES/ SPECIALTY |
| Partner | 15 Gov't exp. | \$225 | CPA | Overall Supervision |
| Manager | 25 Gov't exp | \$200 | CPA | Daily Management |
| Senior | 10 Gov't Exp | \$150 | 10 yrs Gov't Exp. | Perform major tasks |
| Junior | 5 Gov't Exp | \$125 | 5 yrs Gov't Exp | Assist with major task |
| Paraprofessional | Governmental | \$ 50 | Governmental | Assist with tasks |
| Specialists | Specialist | \$250 | Specialist | Employ Special skills |

Proposal Certification

I hereby certify that I am submitting the enclosed information as my company's cost proposal by virtue of executing and returning this FEE SCHEDULE. I further certify full, complete and unconditional acceptance of the contents of the Request for Proposals, and all appendices and the contents of any Addenda released thereto.

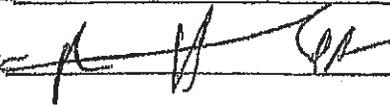
If selected, I agree to execute any required truth-in-negotiations certificate stating that the rates of compensation and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting.

PROPOSER (firm name): Harvey Covington & Thomas

STREET ADDRESS: 2016 Hollywood Blvd, Ste 203

CITY & STATE: Hollywood, FL 33021

PRINT NAME OF AUTHORIZED REPRESENTATIVE: Roderick Harvey

SIGNATURE OF AUTHORIZED REPRESENTATIVE: 

TITLE: Firm Partner

DATE: November 23, 2010

Exhibit "B"

**CITY OF NORTH MIAMI
FIRST RENEWAL TO
PROFESSIONAL SERVICES AGREEMENT
(RFP #04-10-11)**

THIS FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT ("First Amendment") is made and entered into this 11th day of January, 2014, by and between the ~~City of North Miami, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL~~ ("City") and **Harvey, Covington & Thomas of South Florida, L.L.C.**, a limited liability company organized and existing under the laws of the State of Florida, having its principal office at 3816 Hollywood Boulevard, Suite 203, Hollywood, FL 33021 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11 Independent Auditing Services* ("RFP"), to obtain proposals from qualified Certified Public Accounting firms to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, the City Manager established the City's Audit Committee ("Committee") to review proposals and assist the City in selecting an independent Certified Public Accounting firm, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on January 4, 2011, the Committee completed its review and ranking of all the respondents and selected Contractor as the most responsive and responsible provider of Services, whose qualifications, references and fee schedule demonstrated to be the most advantageous to the City; and

WHEREAS, on January 11, 2011, the City Council passed and adopted Resolution Number 2011-1, approving the selection of the Contractor and authorized the City Manager and City Attorney to negotiate and execute an agreement, in accordance with RFP requirements; and

WHEREAS, on January 26, 2011, the Parties executed an agreement for the provision of Services ("Agreement"), for a term commencing on October 1, 2010, through September 30, 2013 ("Initial Term"); and

WHEREAS, following the Initial Term, the City retained the option of renewing the Agreement in writing for an additional three (3) years, on a year-by-year basis; and

WHEREAS, the City Manager finds that entering into this First Amendment exercising the first option to renew the Agreement for a period of one (1) year for the continued provision of required Services, is in the best interest of the City.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

1. The Parties agree that this First Amendment is incorporated into and made part of the Agreement executed by the Parties on April 12, 2011, attached hereto as "Exhibit A".
2. The Parties hereby amend the Agreement to extend the provision of Services to the City for an additional period of one (1) year, commencing January 11, 2014, through January 10, 2015 ("First Option Period").
3. The City shall pay Contractor the amount not to exceed One Hundred Five Thousand Dollars (\$105,000.00), as full compensation for the provision of Services throughout the First Option Period, in accordance with Contractor's fee schedule attached hereto as "Attachment A".
4. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties.
5. This First Amendment shall be binding upon the Parties hereto, their successors in interest, heirs, executors, assigns and personal representatives.
6. The Contractor warrants that any and all work, materials, services or equipment that may reasonably be inferred from the RFP as being required to produce the intended result, will be supplied by the Contractor at its own cost, whether or not specifically called for.
7. In the event of any dispute arising under or related to this First Amendment, the prevailing party shall be entitled to recover all actual attorney fees, costs and expenses incurred by it in connection with that dispute and/or the enforcement of this First Amendment, including all such actual attorney fees, costs and expenses at all judicial levels, including appeal, until such dispute is resolved with finality.
8. All other terms of the Agreement which have not been modified by this First Amendment, shall remain in full force and effect.
9. This First Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

Corporate Secretary or Witness:

Harvey, Covington & Thomas of South Florida, L.L.C., a Florida limited liability company: "Contractor"

By: 

Print Name: ADAM SEGAL

Date: NOVEMBER 12, 2013

By: 

Print Name: Rod Harvey CPA, CVA

Date: NOVEMBER 12, 2013

ATTEST:

By: 

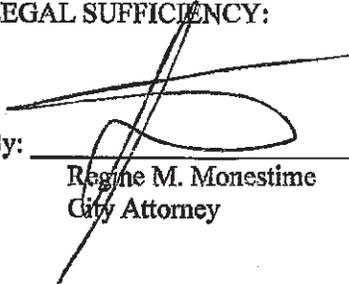
Michael A. Etienne
City Clerk

City of North Miami, a Florida municipal Corporation: "City"

By:  PS

Stephen E. Johnson
City Manager

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By: 

Regine M. Monestime
City Attorney

RESOLUTION NO. R-2011-1

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, APPROVING THE SELECTION OF HARVEY, COVINGTON & THOMAS, LLC, TO PROVIDE THE CITY WITH INDEPENDENT AUDITING SERVICES IN ACCORDANCE WITH REQUEST FOR PROPOSAL #04-10-11 AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR THE PROVISION OF STATED SERVICES, IN ACCORDANCE WITH STATE LAW; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

WHEREAS, on October 26, 2010, the Mayor and City Council of the City of North Miami ("City") authorized the City Manager to establish an Audit Committee to assist the City in selecting an independent Certified Public Accounting firm to conduct the City's annual financial audit, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11 Independent Auditing Services* ("RFP"), requesting proposals from qualified firms of Certified Public Accountants to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, on January 4, 2011, the City's Audit Committee completed its review and ranking of all respondents and selected Harvey Covington & Thomas, LLC, as the most responsive and responsible provider of Services, whose qualifications, references and cost demonstrated to be the most advantageous to the City; and

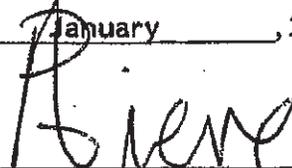
WHEREAS, in accordance with the Audit Committee's findings, the City Manager respectfully requests that the Mayor and City Council approve the selection of Harvey Covington & Thomas, LLC, for the provision of the aforementioned Services in an amount not to exceed Six Hundred Twenty-Three Thousand Six Hundred Dollars and No Cents (\$623,600.00), for a contractual period not to exceed six (6) years.

NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. Selection Approval and Authority of City Manager and City Attorney. The Mayor and City Council of the City of North Miami hereby approve the selection of Harvey, Covington & Thomas, LLC, to provide the City with Independent Auditing Services in accordance with Request for Proposal #04-10-11, and further authorizes the City Manager and City Attorney to negotiate and execute an agreement for the provision of stated services, in accordance with State law.

Section 2. Effective Date. This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by a 5-0 vote of the Mayor and City Council of the City of North Miami, Florida, this 11 day of January, 2011.



ANDRE D. PIERRE, ESQ.
MAYOR

ATTEST:


JACQUE VIEIRA
ACTING CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:


V. LYNN WHITFIELD
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: Councilwoman Sterli
Seconded by: Vice Mayor Galvin



Vote:

| | | | | |
|-----------------------------------|----------|-------|---------------|------|
| Mayor Andre D. Pierre, Esq. | <u>X</u> | (Yes) | <u> </u> | (No) |
| Vice Mayor Scott Galvin | <u>X</u> | (Yes) | <u> </u> | (No) |
| Councilman Michael R. Blynn, Esq. | <u>X</u> | (Yes) | <u> </u> | (No) |
| Councilman Jean R. Marcellus | <u>X</u> | (Yes) | <u> </u> | (No) |
| Councilwoman Marie Erlande Steril | <u>X</u> | (Yes) | <u> </u> | (No) |



October 21, 2014

Marie Frantz Jean-Pharuns CFM
CDBG Administrator
City of North Miami
12340 Northeast 8th Avenue
North Miami, Florida 33161

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the City of North Miami (the "City").

We will apply the agreed-upon procedures which the City has specified, listed in the attached schedule, to test fiscal compliance of Community Development Block Grant (CDBG) program participants as of (for the period ended) December 31, 2014. This engagement is solely to assist the City in assessing fiscal compliance of its CDBG program subrecipients. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on the subrecipients compliance with CDBG program. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the City and the Department of Housing and Urban Development, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Roderick Harvey, CPA, CVA is the engagement partner and is responsible for supervising the engagement and signing the report.

At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the fiscal monitoring checklist in accordance with the terms of the CDBG program grant agreement. Management is responsible for management decisions and functions, and for designating a

qualified management-level employee to oversee the fiscal monitoring that we provide. Management is responsible for evaluating adequacy and results of those services and accepting responsibility for such services. Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

We estimate that our fees for these services will be \$1,100 per site visit. Our invoices for these fees will be rendered upon the completion of each site visit and presentation of applicable report and are payable on presentation.

Additional services will be billed at the discounted hourly rates below:

- Managing Partner – \$ 250.00 per hour
- Director – \$ 200.00 per hour
- Manager – \$ 200.00 per hour
- Senior – \$ 150.00 per hour
- Staff – \$ 100.00 per hour
- Clerical – \$ 40.00 per hour

Audit Completion. Ten (10) copies of each audit report, management letter, and other applicable reports will be supplied. *Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2013 peer review report accompanies this letter.

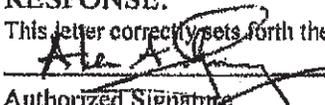
We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,

Roderick Harvey, CPA, CVA

RESPONSE:

This letter correctly sets forth the understanding of the City of North Miami.



Authorized Signature

Title *City Manager*

Date *Dec 30, 2014*

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS



Detail by Entity Name

Florida Limited Liability Company

HARVEY, COVINGTON & THOMAS OF SOUTH FLORIDA L.L.C.

Filing Information

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| Document Number | L04000022858 |
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| Event Date Filed | 04/29/2014 |
| Event Effective Date | 04/29/2014 |

Principal Address

3816 HOLLYWOOD BLVD
SUITE 203
HOLLYWOOD, FL 33021

Changed: 02/16/2007

Mailing Address

3816 HOLLYWOOD BLVD
SUITE 203
HOLLYWOOD, FL 33021

Changed: 02/16/2007

Registered Agent Name & Address

HARVEY, RODERICK MGR MBR
3816 HOLLYWOOD BOULEVARD
SUITE 203
HOLLYWOOD, FL 33021

Name Changed: 02/16/2007

Address Changed: 02/16/2007

Authorized Person(s) Detail

Name & Address

Title Managing Member, 100 %

HARVEY, RODERICK, Sr.
 3816 HOLLYWOOD BLVD
 ATTN- Roderick Harvey, CPA, CVA
 SUITE 203
 HOLLYWOOD, FL 33021

Annual Reports

| Report Year | Filed Date |
|-------------|------------|
| 2012 | 01/04/2012 |
| 2013 | 04/28/2013 |
| 2014 | 03/14/2014 |

Document Images

| | |
|--|--|
| 03/14/2014 -- ANNUAL REPORT | View image in PDF format |
| 04/28/2013 -- ANNUAL REPORT | View image in PDF format |
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| 02/16/2007 -- ANNUAL REPORT | View image in PDF format |
| 05/02/2006 -- LC Amendment and Name Change | View image in PDF format |
| 03/03/2006 -- ANNUAL REPORT | View image in PDF format |
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| 01/26/2005 -- ANNUAL REPORT | View image in PDF format |
| 03/15/2004 -- Florida Limited Liabilites | View image in PDF format |

CITY OF NORTH MIAMI, FLORIDA

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF RESTRICTED ASSETS
ACTIVITY OF THE CLOSURE ESCROW ACCOUNT OF THE LANDFILL CLOSURE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015



HCT Certified Public Accountants and Consultants, LLC
3816 Hollywood Blvd
Suite 203
Hollywood, Florida 33021
Phone (954) 966-4435
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CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE ESCROW
ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Council and City Manager
City of North Miami, Florida

Report on the Financial Statements

We have audited the accompanying schedule of restricted assets activity of the closure escrow account of the landfill closure special revenue fund (the Schedule) of the City of North Miami, Florida (the City), as of and for the fiscal year ended September 30, 2015, and the related notes to the schedule as listed in the table of contents.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable presentation of the Schedule in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

West Palm Beach
Phone (561) 655-2664

Miami
Phone (305) 331-8768

Hollywood
Phone (954) 966-4435

Opinion

In our opinion, the Schedule referred to above present fairly, in all material respects, the balance of and activity in the closure escrow account of the landfill closure special revenue fund as of and for the year ended September 30, 2015, in conformity with rule 62-701.630(5)(c) of the Florida administrative Code.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The Schedule is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

HCT Certified Public Accountants and Consultants, LLC

Hollywood, Florida

June 22, 2016

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE ESCROW
ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

Restricted Assets:

| | |
|--|----------------------|
| Cash in bank (Money Market Fund at City National Bank) | <u>\$ 11,149,456</u> |
| Total | <u>\$ 11,149,456</u> |
| Beginning Balance, October 1, 2014 | \$ 12,833,798 |
| Receipts | - |
| Interest | 39,714 |
| Other | (74,074) |
| Withdrawals | <u>(1,649,982)</u> |
| Ending Balance, September 30, 2015 | <u>\$ 11,149,456</u> |

CITY OF NORTH MIAMI, FLORIDA
NOTES TO SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE
ESCROW ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of North Miami, Florida (the City), located in Miami-Dade County, was incorporated in 1926. The City operates under a Council-Manager form of government and derives its authority from the Florida Constitution and Florida Statutes.

The landfill closure special revenue fund accounts for the restricted assets activity used to fund landfill closure costs. Within this fund, deposits are made to the fund's restricted assets account for the purpose of complying with the Florida Department of Environmental Protection's escrow requirements of Rule 62-701.630(5)(c), Florida Administrative Code. The rule requires that once the landfill ceases to receive waste, the closure escrow account should be able to fully fund the facility's closing costs.

Closure Escrow Account

On December 22, 2004, the City received \$31,027,000 in grant funds from Miami-Dade County to be used towards financing the remediation and closure costs of the "Munisport" landfill site. The funds were deposited into the Munisport landfill closure account.

The schedule of restricted cash activity is only intended to present the activity of restricted assets segregated for the purpose of complying with Rule 62-701.630(5)(c), Florida Administrative Code. The schedule of restricted assets was prepared on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles.

All funds on deposit are restricted for landfill closing.

Long-term Care Escrow Account

The City opened a second escrow account for the purpose of funding the landfill's long term care costs. This account will remain dormant until the time of facility closing where it will be funded in accordance with Rule 62-701.630(5)(c), Florida Administrative Code. Therefore, as of September 30, 2015, the balance in this escrow account is \$0.

NOTE 2 - RESTRICTED CASH

The City, for accounting and investment purposes, maintains restricted asset accounts. The restricted assets are composed of cash in the bank in an interest bearing money market account and an FDIC insurance note exposure over \$250,000.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE
ESCROW ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 3 - COMPLIANCE WITH RULE 62-701.630(5)(c), FLORIDA ADMINISTRATIVE CODE

As provided by Rule 62-710.630(5)(c), Florida Administrative Code, the City is required to annually submit to the Florida Department of Environmental Protection an audit of the landfill closure account with a list of all deposits and withdrawals made. For the year ended September 30, 2015, withdrawals of \$1,649,982 were made from the account and no additional deposits, other than interest received of \$39,714 were required.

CITY OF NORTH MIAMI, FLORIDA
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

To the City of North Miami
North Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of North Miami, Florida, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City of North Miami, Florida's basic financial statements, and have issued our report thereon dated June 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of North Miami, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of North Miami, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of North Miami, Florida's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of North Miami, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HCT Certified Public Accountants and Consultants, LLC

Hollywood, Florida

June 22, 2016