

REQUEST FOR PROPOSALS



**SUBJECT: REQUEST FOR PROPOSALS FOR INDEPENDENT
AUDITING SERVICES FOR THE FINANCE
DEPARTMENT OF THE CITY OF NORTH MIAMI
BEACH**

DUE DATE: JULY 17, 2009

DUE TIME: 2:00 P.M.

**SUBMIT TO: CITY OF NORTH MIAMI BEACH
ADMINISTRATIVE SERVICES,
ROOM 315
17011 NORTH EAST 19th AVENUE
NORTH MIAMI BEACH, FLORIDA 33162**

BID NO: 2009-13

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SECTION I. GENERAL TERMS AND CONDITIONS

I.1 DEFINITIONS

- A. Bid: shall refer to any offer(s) submitted in response to this solicitation.
- B. Bidder: shall refer to anyone submitting a Bid in response to this solicitation.
- C. Bid Solicitation: shall mean this solicitation documentation, including any and all addenda.
- D. City: shall refer to the City of North Miami Beach, Florida.
- E. PMD: shall refer to the City of North Miami Beach Procurement Management Division
- F. Enrolled Vendor: shall refer to a firm that has completed the necessary documentation in order to receive Bid notifications from the City.
- G. Registered Vendor: shall refer to a firm that has completed the Vendor Application and has satisfied all requirements to enter into business agreements with the City.

I.2 INSTRUCTIONS TO BIDDERS

It is the policy of the City to encourage full and open competition among all available qualified vendors. All vendors regularly engaged in the type of work specified in the Bid Solicitation are encouraged to submit bids. Vendors may enroll with the City to be included on a mailing list for selected categories of goods and services. To be eligible for award of a contract (including small purchase orders), Bidders must complete a Vendor Application. For information and to apply as a vendor, please visit our website at www.citynmb.com/purchasing to download an application and submit it to Procurement Management Division, 17011 NE 19 Avenue, Suite 315 North Miami Beach, Florida 33162.

I.3 REQUEST FOR ADDITIONAL INFORMATION

Pursuant to Section 2-11.1(t) of the County Code, all Bid solicitations, once advertised and until an award recommendation has been forwarded to the appropriate authority are under the "Cone of Silence". Any communication or inquiries, except for clarification of process or procedure already contained in the solicitation, are to be made in writing to the attention of the Chief Procurement Officer. Such inquiries or request for information shall be submitted to the Chief Procurement Officer and shall contain the requester's name, address, and telephone number. If transmitted by facsimile, the request should also include a cover sheet with Bidder's facsimile number. The request may also be emailed to bids@citynmb.com or mailed to Procurement Management Division, 17011 NE 19 Avenue, Suite 315, North Miami Beach, Florida 33162.

I.4 BIDDERS RESPONSIBILITIES

Bidders are required to submit their proposals upon the following express conditions:

- A. Bidders shall thoroughly examine the drawings, specifications, schedules, instructions and all other contract documents.

- B. Bidders shall make all investigations necessary to thoroughly inform themselves regarding plant and facilities for delivery of material and equipment as required by the bid conditions. No plea of ignorance, by the bidder, of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements of the contract documents, will be accepted as a basis for varying the requirements of the City or the compensation to the bidder.
- C. Bidders are advised that all City contracts are subject to all legal requirements provided for in the City of North Miami Beach Purchasing Code and applicable County Ordinances, State Statutes and Federal Statutes.

I.5 PREPARATION OF BIDS

Bids will be prepared in accordance with the following:

- A. Our enclosed Bid Proposal Form is to be used in submitting your bid. **NO OTHER FORM WILL BE ACCEPTED.**
- B. All information required by the bid form shall be furnished. The bidder shall sign each continuation sheet (where indicated) on which an entry is made.
- C. Unit prices shall be shown and where there is an error in extension of prices, the unit price shall govern.
- D. Alternate bids will not be considered unless authorized in the Invitation to Bid document.
- E. Proposed delivery time must be shown in calendar days, which shall include weekends and holidays.
- F. The City of North Miami Beach is exempt from payment to its vendors of State of Florida sales tax and, therefore, such taxes should not be figured into the bid. However, this exemption does not transmit to suppliers to the City in their (supplier) purchases of goods or services, used in work or goods supplied to the City. Contractors are responsible for any taxes, sales or otherwise, levied on their purchases, subcontracts, employment, etc. An exemption certificate will be signed where applicable, upon request. The City will pay no sales tax.

I.6 DESCRIPTION OF SUPPLIES

- A. Any manufacturer's names, trade names, brand names, or catalog numbers used in these applications are for the purpose of describing and establishing minimum requirements or level of quality, standards of performance, and design required, and is in no way intended to prohibit the bidding of other manufacturers' items of equal material, unless specifications state "NO SUBSTITUTIONS."
- B. Bidders must indicate any variances to the specifications, terms, and conditions, no matter how slight. If variations are not stated in the Proposal, it shall be construed that the bid fully complies with the Specifications, Terms and Conditions.
- C. Bidders are required to state exactly what they intend to furnish; otherwise they shall be required to furnish the items as specified.

- D. Bidders will submit, with their proposal, necessary data (factory information sheets, specifications, brochures, etc.) to evaluate and determine the quality of the item(s) they are bidding.
- E. The City shall be the sole judge of equality and its decision shall be final.

I.7 SUBMISSION OF BIDS

- A. Bids and Addenda thereto shall be enclosed in sealed envelopes addressed to the Chief Procurement Officer, Brian K. O'Connor, City of North Miami Beach, 17011 NE 19 Avenue, Room 315, North Miami Beach, Florida 33162. The name and address of the bidder, the bid number, the date and hour of the bid opening, and the bid name shall be placed on the outside of the envelope.
- B. Bids must be submitted on the forms furnished. Telegraphic, emailed and facsimile bids will not be considered. Bids, however, may be modified by telegraphic notice provided such notice is received prior to the time and date set for the bid opening. Bids shall be dated and time stamped in Room 315 prior to bid opening. Bidders shall have sole responsibility of insuring delivery of bids on time and to the proper location.
- C. Bidders requesting a copy of the bid tabulation shall include a stamped, self-addressed envelope.
- D. Submit one **original** and **three copies**.

I.8 ADDENDA

The Procurement Management Division may issue an addendum in response to any inquiry received, prior to Bid opening, which changes, adds to or clarifies the terms, provisions or requirements of the solicitation. The Bidder should not rely on any representation, statement or explanation whether written or verbal, other than those made in this Bid solicitation document or in any addenda issued. Where there appears to be a conflict between this Bid solicitation and any addenda, the last addendum issued shall prevail. It is the Bidder's responsibility to ensure receipt of all addenda and any accompanying documents. The Bidder is required to submit with its Bid a signed "Acknowledgment of Addenda" form when any addenda have been issued.

I.9 REJECTION OF BIDS

- A. The City may reject a bid if:
 - 1. The Bidder fails to acknowledge receipt of an addendum, or if
 - 2. The Bidder misstates or conceals any material fact in the bid, or if
 - 3. The bid does not strictly conform to the law or requirements of bid, or if
 - 4. The bid is conditional, except that the bidder may qualify his bid for acceptance by the City on an "all or none" basis, group basis, or a "low item" basis. An "all or none" basis bid must include all items upon which bids are invited.
- B. The City may, however, reject all bids whenever it is deemed in the best interest of the City to do so, and may reject any part of a bid unless the bid has been qualified as provided in paragraph A4 above.

I.10 WITHDRAWAL OF BIDS

- A. Bids may not be withdrawn for a period of 90 days after the time set for the bid opening.
- B. Bids may be withdrawn prior to the time set for the bid opening. Such request must be in writing.
- C. The City will permanently retain as liquidated damages the bid deposit furnished by any bidder who requests to withdraw a bid after the bid opening.

I.11 LATE BIDS OR MODIFICATIONS

Only bids or proposals received as of opening date and time will be considered timely. Bids and modifications received after the time set for the bid opening will be rejected as late.

I.12 CONFLICTS WITHIN THE BID SOLICATION

Where there appears to be a conflict between the General Terms and Conditions, Special Conditions, the Technical Specifications, the Bid Submittal Section, or any addendum issued, the order of precedence shall be the last addendum issued, the Bid Submittal Section, the Technical Specifications, the Special Conditions, and then the General Terms and Conditions.

I.13 CLARIFICATION OR OBJECTION TO BID SPECIFICATIONS

If any person contemplating submitting a bid for this contract is in doubt as to the true meaning of the specifications or other bid documents or any part thereof, he/she may submit to the City Buyer on or before ten days prior to scheduled opening, a request for clarification. All such requests for clarification shall be made in writing and the person submitting the request will be responsible for its prompt delivery. Any interpretation of the bid, if made, will be made only by Addendum duly issued. A copy of such Addendum will be mailed or delivered to each person receiving an Invitation for Bids. The City will not be responsible for any other explanation or interpretation of the proposed bid made or given prior to the award of the contract. Any objection to the specifications and requirements as set forth in this bid must be filed in writing with the Purchasing Supervisor on or before ten days prior to scheduled opening.

I.14 INVOICING/PAYMENT

All invoices should be sent to: City of North Miami Beach, Finance Department, 17011 NE 19 Avenue, 3rd Floor, North Miami Beach, Florida 33162. In accordance with Florida State Statutes, Chapter 218, payment will be made within 45 days after receipt of merchandise and a proper invoice. The City cannot make advance payments, make deposits in advance of receipt of goods, or pay C.O.D. Bidders should state any payment discount in the space provided on the proposal form.

I.15 DISCOUNTS

- A. Bidders may offer a cash discount for prompt payment; however, such discounts shall NOT be considered in determining the lowest net cost for bid evaluation purposes. Bidders are encouraged to reflect cash discounts in the unit prices quoted.
- B. In connection with any discount offered, time will be computed from the date of receipt of supplies or services or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date of mailing of the check.

I.16 COMPETENCY OF BIDDERS

- A. Pre-award inspection of the Bidder's facility may be made prior to the award of contract. Bids will be considered only from firms which are regularly engaged in the business of providing the goods and/or services as described in this Bid(s); have a record of performance for a reasonable period of time; have sufficient financial support, equipment and organization to insure that they can satisfactorily deliver the material and/or services if awarded a Contract under the terms and conditions herein stated. The terms "equipment and organization" as used herein shall be construed to mean a fully equipped and well established company in line with the best business practices in the industry and as determined by the proper authorities of the City.
- B. The City may consider any evidence available to it of the financial, technical and other qualifications and abilities of a Bidder, including past performance (experience) with the City in making the award in the best interest of the City.

I.17 TERMINATION OF CONTRACT

- A. The City may, by written notice to the Contractor, terminate the Contract if the Contractor has been found to have failed to perform his services in a manner satisfactory to the City as per specifications, including delivery as specified. The date of termination shall be stated in the notice. City shall be sole judge of non-performance.
- B. The City may cancel the contract upon 30 days written notice for reasons other than cause.

I.18 EMPLOYEES

All employees of the Contractor shall be considered to be at all times the sole employees of the Contractor, under the Contractor's sole direction, and not an employee or agent of the City of North Miami Beach. The Contractor shall supply competent and physically capable employees and the City may require the Contractor to remove any employee it deems careless, incompetent, insubordinate or otherwise objectionable and whose presence on City property is not in the best interest of the City. Each employee shall have and wear proper identification.

I.19 AWARD OF BID

- A. The bid will be awarded to the lowest responsible bidder(s) whose bid(s), conforming to the Invitation for Bids, is most advantageous to the City, price and other factors considered.
- B. The City reserves the right to accept and award item by item, and/or by group, or in the aggregate, unless the bidder qualifies his bid by specified limitations as provided for in paragraph 6(A)4.
- C. Successful Bidder shall be notified in writing of award.
- D. Delivery of materials and/or services shall be performed upon receipt by successful bidder of a numbered, signed purchase order.

I.20 BID PROTESTS

The City shall provide notice of its decision to award or reject to all bidders by U.S. mail. If bidders wish to protest a decision of award, they must file a notice of protest in writing to the Chief Procurement Officer within three (3) working days after receipt of the notice of the City's decision of award, and shall file a formal written protest within 10 days after filing the notice of protest. The notice of protest must be either hand delivered and date time stamped by the Procurement Management Division, or sent via Certified U.S. mail, return receipt requested. Failure to file a protest within the time specified herein shall constitute a waiver of all rights to protest the City's decision regarding the award of bid.

I.21 AGREEMENT

An agreement (see sample included as part of these specifications) shall be sent to the awarded bidder to be signed, witnessed, and returned to the City for execution. The City will provide a copy of the fully executed agreement to the awarded bidder.

I.22 DISQUALIFICATION OF BIDDERS

A bidder may be disqualified temporarily or permanently and his/her bid(s) rejected for:

- A. Poor performance or default, in the City's opinion, on previous contracts with the City.
- B. Poor performance or default, in the City's opinion, on previous contracts with other public entities.
- C. Insufficient financial or company size, in the City's opinion, to perform the requirements of the contract.

I.23 SUBCONTRACTING

Unless otherwise specified in this Bid Solicitation, the successful Bidder shall not subcontract any portion of the work without the prior written consent of the City. The ability to subcontract may be further limited by the Special Conditions. Subcontracting without the prior consent of the City may result in termination of the contract for default.

I.24 ASSIGNMENT

The successful Bidder shall not assign, transfer, hypothecate, or otherwise dispose of this contract, including any rights, title or interest therein, or its power to execute such contract to any person, company or corporation without the prior written consent of the City.

I.25 LOCAL, STATE AND FEDERAL COMPLIANCE REQUIREMENTS

Bidders shall comply with all local, state and federal directives, orders and laws as applicable to this bid and subsequent contract(s).

Including but not limited to:

- A. Equal Employment Opportunity (EEO), in compliance with Executive Order 11246 as amended and applicable to this contract.
- B. Occupational Safety and Health Act (OSHA) as applicable to this contract.

I.26 FRAUD AND MISREPRESENTATION

In accordance with City Purchasing Policy 3.6 and pursuant to Section 2-8-1.4 of the Miami-Dade County Code, any individual, corporation or other entity that attempts to meet its contractual obligations with the City through fraud, misrepresentation or material misstatement, may be debarred from doing business with the City. The City as further sanction may terminate or cancel any other contracts with such individual, corporation or entity. Such individual or entity shall be responsible for all direct or indirect costs associated with termination or cancellation, including attorney's fees.

I.27 COLLUSION

The bidder, by affixing his signature to this proposal, agrees to the following: "Bidder certifies that his/her bid is made without previous understanding, agreement, or connection with any person, firm or corporation, making a bid for the same items, or the initiating City department, and is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action."

I.28 MAINTAINING BID STATUS

To be retained on the active bidders list, bidder MUST respond to this Invitation to Bid. To protect your status as an active bidder, please complete and return the last page of the bid proposal form indicating reason for "No Bid" at this time. Three (3) consecutive failures to respond to bid invitations could result in automatic removal from the bidders list.

I.29 PATENTS AND COPYRIGHTS

It shall be understood and agreed that by the submission of a proposal, the bidder, if awarded a contract, shall save harmless and fully indemnify the City and any of its officers or agents from any and all damages that may, at any time, be imposed or claimed for infringement of any patent right, trademark, or copyright, of any person or persons,

association, or corporation, as the result of the use of such articles by the City, or any of its officers, agents, or employees, and of which articles the contractor is not the patentee, assignee, licensee, or owner, or lawfully entitled to sell same.

I.30 PUBLIC RECORDS LAW

Pursuant to Florida Statute 119.07, public records may be inspected and examined by anyone desiring to do so, at a reasonable time, under reasonable conditions, and under supervision by the custodian of the public record. Sealed Bids and Proposals become subject to this statute, notwithstanding bidders' or proposers' requests to the contrary, at the time the City provides notice of a decision or intended decision, or 10 days after bid or proposal opening, whichever is earlier.

Financial statements submitted in response to a request by the City are confidential, and exempt from disclosure. Data processing software obtained under a licensing agreement which prohibits its disclosure is also exempt.

Bidders are hereby notified that all information submitted as part of, or in support of bid submittals will be available for public inspection after opening of bids in compliance with Chapter 119 of the Florida Statutes. The bidder shall not submit any information in response to this invitation, which the bidder considers to be a trade secret, proprietary or confidential. The submission of any information to the City in connection with this invitation shall be deemed conclusively to be a waiver of any trade secret or other protection, which would otherwise be available to the bidder. In the event that the bidder submits information to the City in violation of this restriction, either inadvertently or intentionally and clearly identifies that information in the bid as protected or confidential, the City shall endeavor to redact and return that information to the bidder as quickly as possible, and if appropriate, evaluate the balance of the bid. The redaction or return of information pursuant to this clause may render a bid non-responsive.

I.31 INFORMATION

Further information, if desired, may be obtained from the City Buyer, 17011 N.E. 19th Avenue, Room 315, North Miami Beach, Florida 33162, Telephone (305) 948-2946.

Questions or requests for clarification of the specifications shall be in writing and received by the Procurement Management Division at least seven days prior to the date and time of the bid opening. They may be mailed or faxed to (305) 957-3522 or emailed to Bids@citynmb.com

I.32 REQUEST FOR PROPOSAL

Should these "General Conditions" be used in the specifications for a Request for Proposal, every reference to a bid shall be and mean the same as proposal.

I.33 CONFLICT IN SPECIFICATIONS

Where there appears to be a variance or conflict between these General Conditions and the Special Conditions or Technical Specifications outlined in the Bid Package, the order of preference shall be Technical Specifications, Special Conditions, then General Terms and Conditions.

I.34 EXCEPTIONS TO PROPOSAL

The bidder shall list on the space provided on the proposal page or on a separate sheet of paper any exceptions to the conditions of this Bid Proposal. This sheet shall be labeled, "Exceptions to Proposal Provisions," and shall be attached to the Bid Proposal. If no exceptions are stated, it will be understood that all General, Special and Technical Conditions will be complied with, without exception.

I.35 NOTICE TO PROCEED

A signed Purchase Order will be the Contractor's authorization to proceed and may substitute for a "Notice to Proceed" form.

I.36 HOLD HARMLESS AGREEMENT

The awarded bidder agrees to indemnify and hold harmless the City and its officers, employees, agents and instrumentalities from any and all liability, losses or damages in an amount not less than \$1,000,000 per occurrence, which shall include attorney's 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 this project by the awarded bidder or its employees, agents, servants, partners principals or subcontractors. Furthermore, the awarded bidder shall pay all claims and losses in an amount not less than \$1,000,000 per occurrence in connection therewith and shall investigate and defend all claims, suits or actions of any kind of 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. The awarded bidder expressly understands and agrees that any insurance protection required by the resulting agreement or otherwise provided by the awarded bidder shall cover the City, its officers, employees, agents and instrumentalities and shall include claims or damages resulting from and/or caused by the negligence, recklessness or intentional wrongful misconduct of the indemnifying party and persons employed or by utilized by the indemnifying party in the performance of the construction contract.

I.37 COPELAND "ANTI-KICKBACK"

Contractor and all subcontractors will comply with the Copeland Anti-Kickback Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3).

I.38 CONFLICT OF LAW

If and when this contract is disputed, and should it be necessary to litigate, the substantive and procedural laws of the State of Florida shall govern the outcome of such litigation. This shall apply notwithstanding such factors which include, but are not limited to, place where contract is entered into, place where accident arises, or any other such incident.

I.39 INTERPRETATION OF THE APPROXIMATE QUANTITIES

The bidder's attention is called to the fact that the estimate of quantities to be furnished under the specifications is approximate only and not guaranteed. The City does not assume any responsibility that the final quantities shall remain in strict accordance with the estimated quantities, nor shall the Bidder plead misunderstanding or deception because of such estimate of quantities.

I.40 QUANTITIES

The City specifically reserves the right to accept all or any part of the bid, to split the award, to increase or decrease the quantity to meet additional or reduced requirements of the City, without such change affecting the contract unit price set forth in the proposal form by the bidder.

I.41 DELIVERY

Prices quoted and deliveries are to be FOB Destination and unloaded unless otherwise specified in the Invitation for Bids and made during regular business hours. Title and risk of loss shall pass to the City upon inspection and acceptance at the delivery point and/or as may be otherwise provided for.

I.42 WARRANTY

Unless otherwise specified, all items proposed by the bidder shall include a warranty covering parts and labor for a specified period of time. The bidder shall submit information on both manufacturer and dealer warranties, where applicable, with the bid proposal. All goods furnished shall be fully guaranteed by the successful Bidder against factory defects and workmanship. At no expense to the City, the successful Bidder shall correct any and all apparent and latent defects that may occur within the manufacturer's standard warranty. The Special Conditions of the Bid solicitation may supersede the manufacturer's standard warranty.

I.43 DURATION OF AGREEMENT

Unless otherwise stated, the prices and conditions stated in this bid shall be in effect for a period of one year from the date of the issuance of a letter of award, or date of executed contract, whichever is later.

I.44 CLAIMS

Successful bidder(s) will be responsible for making any and all claims against carriers for missing or damaged items.

I.45 CONTRACT RENEWAL

Any contract or agreement executed in conjunction with the award of a bid may be renewed for additional twelve month periods if agreed to in writing by both parties.

I.46 MODIFICATION OF CONTRACT

The contract may be modified by mutual consent, in writing through the issuance of a modification to the contract, purchase order, change order or award sheet, as appropriate.

I.47 MATERIAL SAFETY DATA SHEET (MSDS)

Under the terms of the Florida Right-to-Know Law (Chapter 442, Florida Statutes), all suppliers of products deemed to be toxic in substance, as indicated in the State of Florida Substance List, are required to submit a Material Safety Data Sheet (MSDS) for each substance as a condition of the award of the bid by the City.

I.48 CONDITION OF MATERIALS AND PACKAGING

All equipment, materials, supplies, and components supplied under this bid must be new and unused, free from defects, and shall be the latest manufacturer's models unless otherwise specified. No others will be accepted under the terms and intent of this bid. All containers shall be new and suitable for storage or shipment, and bid price shall include standard commercial packaging. Any exceptions to this provision shall be detailed on the proposal page under exceptions to specifications.

I.49 SAMPLES

Samples, when required, must be submitted within the time specified at no expense to the City. If not destroyed or used up during testing, samples will be returned upon request at the bidder's expense. Each individual sample must be labeled with bidder's name and manufacturer's brand name and number.

I.50 PUBLIC ENTITY CRIMES

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in

Florida Statutes, Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

I.51 DISCRIMINATION

Any entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide goods or services to a public entity, may not submit a bid on a contract with a public entity for construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity.

I.52 DRUG-FREE WORKPLACE PROGRAM

In the event of identical tie low bids, preference shall be given to businesses with drug-free workplace programs. Bidders with such programs shall complete and submit the attached form with bid.

I.53 SOLICITATION, GIVING, AND ACCEPTANCE OF GIFTS POLICY

Bidders shall sign and submit this attached form indicating understanding and compliance with the City's and State's policies prohibiting solicitation and acceptance of gifts by public officers, employees, or candidates.

Failure to submit this signed form will result in your bid being declared non-responsive; provided, however, that the low bidder may be given the opportunity to submit the form to the City within five calendar days after notification by the City, if this is determined to be in the best interest of the City.

I.54 PURCHASING AGREEMENTS WITH OTHER GOVERNMENT AGENCIES

It is hereby made part of this Invitation to Bid that the submission of any bid response to this advertised request constitutes a bid made under the same terms and conditions, for the same price, to other government agencies if agreeable by the bidder and the government agency.

At the option of the vendor/contractor, the use of the contract resulting from this solicitation may be extended to other governmental agencies, including the State of Florida, its agencies, political subdivisions, counties, and cities.

Each governmental agency allowed by the vendor/contractor to use this contract shall do so independently of any other governmental entity. Each agency shall be responsible for its own purchases and shall be liable only for goods or services ordered, received, and accepted. No agency receives any liability by virtue of this bid and subsequent contract award

I.55 ACESSTO RECORDS

The City reserves the right to require the Contractor to submit to an audit. The Contractor shall provide access to all of its records, which relate directly or indirectly to this Agreement at its place of business during regular business hours. The Contractor shall retain all records pertaining to this Agreement and upon request make them available to the City for three years following expiration of the Agreement. The Contractor agrees to provide such assistance as may be necessary to facilitate the review or audit by the City to ensure compliance with applicable accounting and financial standards.

SECTION 2.0 SPECIAL CONDITIONS

2.1 INTRODUCTION

The City of North Miami Beach, Florida (the "City"), is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending September 30, 2009 through 2013, with the option of auditing its financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards in addition to the following:

- (1) Section 11.45, Florida Statutes
- (2) Regulations of the State Department of Banking and Finance
- (3) Rules of the Auditor General (Chapter 10.550, Local Government Entity audits)
- (4) Audit and Accounting Guide - Audits of State and Local Governmental Units ("the AICPA Guide")
- (5) Single Audit Act
- (6) Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, published by the Comptroller General of the United States
- (7) U.S. Office of Management and Budget, Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations
- (8) General Accounting Offices (GAO) Government Auditing Standards

2.2 GENERAL INFORMATION

- 1) The Audit Committee (the "Committee") is composed of the following City of North Miami Beach staff: Susan Gooding-Liburd (Finance Director), Barbara Trinka (Finance Manager, Public Services Department), and Mac Serda (Finance Manager, Police Department).
- 2) All Inquiries in reference to this Request for Proposal shall be submitted in writing to:

Procurement Management Division
City of North Miami Beach
17011 N.E. 19th Avenue, Room 315
North Miami Beach, FL 33162
Email: bids@citynmb.com
Phone: (305) 948-2946
Fax: (305) 957-3522

- 3) All responses to this RFP must be received as soon as possible, but no later than 2.00 PM on July 17, 2009 at the address listed above. The signed original and three (3) signed copies of your proposal shall be submitted in one sealed package, clearly marked on the outside "**Proposal for Independent Auditing Services.**" Any responses received after the deadline will be returned to the proposer unopened. The City will not reimburse any costs incurred by the

responding firms in preparing proposals in response to this request.

- 4) The Committee will recommend no fewer than three proposers to the City Council. If fewer than three firms respond to the request for proposal, the committee will recommend such firms as it deems to be the most highly qualified. The Committee reserves the right to reject any and all proposals submitted and to request additional information from the proposers. At the discretion of the Committee, firms submitting proposals will be requested to make oral presentations as part of the evaluation process.
- 5) The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance in the form of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.
- 6) Firms submitting proposals may subcontract portions of the engagement. If this is to be done, the name of the proposed subcontracting firms must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the City. Such consent may be withheld, conditioned, or denied and is the sole discretion of the City Council.
- 7) Each member of the Committee will rank the proposers using a point formula by the set of criteria described in Section VII (2). The committee will combine the individual scores to arrive at a score for each firm. The City Council or their designee will negotiate a contract with one of the proposers in accordance with Section 218.391 Florida Statutes. It is anticipated that the City will enter into a three-year contract for the fiscal years ending September 30, 2009 through 2011 with a renewal the option of each of the two subsequent fiscal years.
- 8) RFP TIMETABLE

The anticipated schedule for this RFP and contract approval is as follows:

July 17, 2009.....	Responses to RFP due by 2:00 P.M.
July 24, 2009.....	Committee meeting to evaluate the RFP responses and develop a list of firms to make oral presentations. Meeting will be held in the City Council Chambers on the second floor at City Hall at 9:30 a.m.
July 28, 2009.....	Committee meeting to listen to oral presentations and interview firms. Meeting will be held in the City Council Chambers from 9:00 a.m. to 1:30 p.m.
July 29, 2009... ..	Committee recommendations to City Council with short list of three (3) firms for August 4 th , 2009 Council meeting.

- 9) Audits for the last ten fiscal years were completed by Rachlin LLC. The last three fiscal years Comprehensive Annual Financial Reports are available on line at www.citynmb.com (click on Finance button, then Financial Statements PDF files).
- 10) The City does not have an internal audit department.
- 11) All requirements and conditions set forth in this RFP shall be incorporated into the contract between the City and the selected firm unless otherwise specified in the contract.

2.3 DESCRIPTION OF CITY OF NORTH MIAMI BEACH AND RECORDS TO BE AUDITED

- 1) The City of North Miami Beach is a first-tier suburb in northeastern Miami-Dade County, which is located in the southeast part of Florida. Located midway between Miami and Fort Lauderdale with excellent regional highway access, it is primarily a residential and shopping community.
- 2) For reporting purposes, the Comprehensive Annual Financial Report will include the City of North Miami Beach and its blended component units, the Community Redevelopment Agency (CRA).
- 3) Accounting records for the City, including the Community Redevelopment Agency (CRA) are maintained by the City's Finance Department. The City's records include a general fund, eight (8) special revenue funds, nine (9) debt service funds, seven (7) capital projects funds, three (3) enterprise funds, one (1) agency fund, three (3) pension trust funds, a general fixed assets account group, and a general long-term debt account group. The FY 2009 total operating and capital budget for the City is approximately \$62.7 million. Enterprise funds are used to account for the City's Water, Waste water and Stormwater.
- 4) All accounting records are maintained on the modified accrual basis or accrual basis as appropriate.
- 5) Budgets are integrated with the accounting records.
- 6) The City has received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the 1988 through 2007 Comprehensive Annual Financial Reports. The CAFR for each of the fiscal years covered by this RFP will be submitted for consideration for the Certificate. The selected firm will be expected to provide technical assistance to help the City meet the program's requirements.
- 7) The City is progressive in its attitude toward new accounting standards. Early implementation is practiced when recommended.

2.4 INDEMNIFICATION AND INSURANCE

In accordance with Chapter 725, Florida Statutes, the Contractor shall indemnify and hold harmless the City and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, in an amount not less than \$1,000,000 per occurrence which shall include 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 this Agreement by the Contractor or its employees, agents, servants, partners principals or subcontractors. Furthermore, the Contractor shall pay all claims and losses in an amount not less than \$1,000,000 per occurrence 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. The Contractor expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Contractor shall cover the City and its officers, employees, agents and instrumentalities and shall include claims, or damages resulting from and/or caused by the negligence, recklessness or intentional wrongful misconduct of the indemnifying party and persons employed by or utilized by the indemnifying party in the performance of the contract.

Upon City's notification, the Contractor shall furnish to the Department of Administrative Services, Certificates of Insurance that indicate that insurance coverage has been obtained, which meets the requirements as outlined below:

1. Worker's Compensation Insurance for all employees of the Contractor as required by Florida Statute 440. Should the Contractor be exempt from this Statute, the Contractor and each employee shall hold the City harmless from any injury incurred during performance of the Contract. The exempt contractor shall also submit a written statement detailing the number of employees and that they are not required to carry Worker's Compensation insurance, and do not anticipate hiring any additional employees during the term of this contract or a copy of a Certificate of Exemption.
2. General Liability Insurance on a comprehensive basis in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage. **The City of North Miami Beach must be shown as an additional insured with respect to this coverage. The mailing address of City of North Miami Beach 17011 NE 19 Avenue, Suite 315, North Miami Beach, Florida 33162, as the certificate holder, must appear on the certificate of insurance.**
3. Automobile Liability Insurance covering all owned, non-owned, and hired vehicles used in connection with the Services, in an amount not less than \$500,000 per person and \$1,000,000 per occurrence and property damage limits of \$500,000; or a comprehensive single limit of liability for bodily injury and property damage combined, with minimum limits of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles used by the contractor while performing operations in connection with this contract.

4. Professional Liability Insurance in an amount not less than \$300,000 with a deductible per claim not to exceed ten percent (10%) of the limit of liability. Professional liability insurance coverage must be maintained for _____ (5 or 10) years after the completion of the contract if the policy is based on "claims made".

The insurance coverage required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operation of the Contractor. All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida with the following qualifications:

The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, according to the latest edition of Best's Insurance Guide published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the City's Risk Management Division.

Certificates of Insurance must indicate that for any cancellation of coverage before the expiration date, the issuing insurance carrier will endeavor to mail thirty (30) day written advance notice to the certificate holder. In addition, the Contractor hereby agrees not to modify the insurance coverage without thirty (30) days written advance notice to the City.

NOTE: CITY OF NORTH MIAMI BEACH CONTRACT NUMBER AND TITLE MUST APPEAR ON EACH CERTIFICATE OF INSURANCE.

Compliance with the foregoing requirements shall not relieve the Contractor of this liability and obligation under this section or under any other section in this Agreement.

Award of this Contract is contingent upon the receipt of the insurance documents, as required, within fifteen (15) calendar days after City notification to Contractor to comply before the award is made. If the insurance certificate is received within the specified time frame but not in the manner prescribed in this Agreement, the Contractor shall be verbally notified of such deficiency and shall have an additional five (5) calendar days to submit a corrected certificate to the City. If the Contractor fails to submit the required insurance documents in the manner prescribed in this Agreement within twenty (20) calendar days after City notification to comply, the Contractor shall be in default of the contractual terms and conditions and award of the Contract will be rescinded, unless such time frame for submission has been extended by the City.

The Contractor shall be responsible for assuring that the insurance certificates required in conjunction with this Section remain in force for the duration of the contractual period of the Contract, including any and all option years or extension periods that may be granted by the City. If insurance certificates are scheduled to expire during the contractual period, the Contractor shall be responsible for submitting new or renewed insurance certificates to the City at a minimum of thirty (30) calendar days in advance of such expiration. In the event that expired certificates are not replaced with new or renewed certificates which cover the contractual period, the City shall suspend the Contract until such time as the new or renewed

certificates are received by the City in the manner prescribed herein; provided, however, that this suspended period does not exceed thirty (30) calendar days. Thereafter, the City may, at its sole discretion, terminate this contract.

SECTION 3.0 SCOPE OF SERVICES

3.1 SERVICES REQUIRED

- 1) An audit and an opinion on the basic financial statements for the City. Financial statements are to be prepared in accordance with GASB Statement 34.
- 2) The audit is to be done in accordance with the Rules of the Auditor General, Chapter 10.550, the Single Audit Act, OMB Circular A-133, the GAO Yellow Book, Government Auditing Standards, and the AICPA Auditing Standards.
- 3) Review and recommendation for required note disclosures for the City's Comprehensive Annual Financial Report.
- 4) Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue the following reports and schedules for the City:
 - a. A report on the fair presentation of the financial statements in conformity with general accepted accounting principles.
 - b. A report on the internal control structure based on the auditors' understanding of the control structure and assessment of control risk.
 - c. Reports on compliance with specific requirements applicable to federal and state financial assistance programs.
 - d. Schedule of Findings and Questioned Costs – Federal Programs and State Projects
 - e. The auditor shall communicate in a letter to management any reportable conditions found during the audit.
 - f. Other reports as required by law or other governing bodies.
- 5) Special Reports for the City:
 - a. Data Collection Form to the Federal Audit Clearinghouse (SF-SAC) as required by OMB Circular A-133.
- 6) Assistance in providing guidance and implementing changes in governmental accounting standards.
- 7) If the City does issue debt, for which the official statement in connection with the debt contains basic financial statements and the report of independent accounts, the firm shall be required to issue a "consent and citation of expertise" as auditor and any necessary "comfort letters" at no additional cost to the City.
- 8) Irregularities and illegal acts: Auditors shall be required to make an immediate written report of all irregularities and illegal acts to Raymond Marin, Mayor and Kelvin Baker, City Manager.

3.2 ADDITIONAL PROFESSIONAL SERVICES

It is the intent of the City that future additional audit requirements, imposed on the City by applicable national and state agencies, shall be provided by the auditor and included in the negotiated fee between the City and the auditing firm.

3.3 QUALIFICATIONS OF THE AUDITOR

- 1) The firm must have a valid, current and active license to practice in Florida.
- 2) The firm should provide an affirmative statement that it is independent of the City of North Miami Beach as defined by generally accepted auditing standards/Government Auditing Standards issued by the Comptroller General of the United States.
- 3) The firm must have been established in Florida and performed continuous CPA services for a minimum of five years.
- 4) The firm must be a member in good standing with the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants.
- 5) The firm should clearly indicate its expertise. Resumés should be provided for the partner and manager who would be in charge of the audit.
- 6) The individuals who will be primarily responsible for the audit must have thirty (30) annual hours of governmental accounting and auditing continuing professional education (CPE).
- 7) The firm should indicate its approach to peer review and provide a report of the most recent peer review. Indicate whether that peer review included a review of local government client activities.
- 8) The firm should indicate any disciplinary actions that have been instituted or proposed against the firm during the last three years.
- 9) The firm should describe the results of any state or federal reviews during the past three years of the firm's governmental client audit work.
- 10) Ability to adequately store all working papers and reports at the auditor's expense for a minimum of three years, unless the firm is notified by the City to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees: the City, General Accounting Office, parties to an audit quality review process, and auditors of entities of which the City is a recipient of grant funds. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers.

3.4 INFORMATION TO BE INCLUDED IN THE PROPOSAL

- 1) Title page showing the RFP subject, the name of the firm, address, telephone number, the name of the contact person, and the date.

- 2) A table of contents providing a clear identification of the material by section and by page number.
- 3) A statement as to whether the firm is licensed to practice in Florida.
- 4) A statement as to whether the firm is independent of the City of North Miami Beach as defined by generally accepted auditing standards/Government Auditing Standards issued by the Comptroller General of the United States.

The firm should also list and describe the firm's (or proposed) subcontractors' professional relationships involving the City of North Miami Beach for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the selected firm shall give the City of North Miami Beach written notice of any professional relationships entered into during the period of this agreement.

- 5) A statement setting forth the proposer's understanding of the work to be done and a positive commitment to perform the work within the specified time period.
- 6) A statement as to whether the firm is local, regional, or national.
- 7) The location of the office from which the work is to be done and the number of personnel in that office who would be working on the audit.
- 8) An identification of the partners, managers and supervisors who will work on the audit, including staff from other than the local office if necessary for this audit. Resumés for each managerial and supervisory person to be assigned to the audit should be submitted and include the following information:
 - a. Formal education and licensed to practice in Florida
 - b. Supplemental education relative to governmental accounting and auditing
 - c. Experience in public accounting in general
 - d. Experience in private business or government
 - e. Experience in auditing governmental units
 - f. Membership in various national and state governmental accounting boards, committees, or associations (past and present)
 - g. Professional recognition, such as Certified Public accounting licenses, awards, etc.

- 9) A description of your office's experience in preparing governmental financial statements and in providing assistance in obtaining the Certificate of Achievement.
- 10) A listing of Florida counties and municipalities for which your firm is providing or has provided audit services.
- 11) The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section III of this request for proposal.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
 - b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
 - c. Sample size and the extent to which statistical sampling is to be used in the engagement
 - d. Extent of use of EDP software in the engagement
 - e. Type and extent of analytical procedures to be used in the engagement
 - f. Approach to be taken to gain and document an understanding of the internal control structure
 - g. Approach to be taken in determining laws and regulations that will be subject to audit test work
 - h. Approach to be taken in drawing audit samples for purposes of tests of compliance
- 12) Supplemental information demonstrating financial stability, such as audited financial statements or tax returns, for the previous three years.
 - 13) Compensation, outlining number of hours and hourly rate per professional staff position and out of pocket expenses. The Schedule of Professional Fees and Expenses in Item 3.7 must be utilized. Fees shall be submitted for each fiscal year.
 - 14) Include a copy of your certificate of insurance with your proposal.

3.5 COMPREHENSIVE ANNUAL FINANCIAL REPORT

I) Calendar

August 31, 2009	-	Contract signed with proposer
September 30, 2009	-	Fiscal year end for the City
November 30, 2009	-	Close books of the City
February 28, 2010	-	Preliminary management

- comments and recommendations delivered to the City
 - March 3, 2010 - Written management comments delivered to the City
 - March 10, 2010 - Completion of audit letters for inclusion in the CAFR
 - March 10, 2010 - Draft of CAFR prepared by Finance Department
 - March 20, 2010 - Final CAFR to be printed and Distributed by Finance Department
 - 2) Support
 - a. Staff will perform the year-end closing of the books.
 - b. Staff will prepare the introductory section, financial section, the statistical section, and the single audit section.
 - c. Staff will prepare work schedules and related materials as requested by the selected firm.
 - d. Staff will provide paid invoices, copies of canceled checks and other supportive documentation as requested by the firm.

3.6 EVALUATION PROCEDURES

- 1) The Committee will review all responses and score individually using the criteria listed below.
- 2) The responses will be evaluated using two sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored on technical qualifications as well as fees. The following represent the principal criteria that will be considered during the evaluation process.

Mandatory Elements

- a. The audit firm is independent and licensed to practice in Florida.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the City of North Miami Beach and its component unit.
- c. The firm adheres to the instructions in this Request for Proposal on preparing and submitting the proposal.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

Technical Quality	<u>Point Range</u>
a. General Government audit experience	0 - 20
b. Qualifications of individuals assigned to audit	0 - 20
c. Familiarity with Certificate of Achievement in Financial Reporting Program	0 - 10
d. Size and organization structure of firm	0 - 10
e. Demonstrated understanding of City of North Miami Beach's requirements	0 - 05
f. Audit approach	0 - 15

Fees

a. Audit fees total (over 3-year period) 0 - 20
Total Points 100

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM**3.7 SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE 2009 FINANCIAL STATEMENTS**

	Standard Hours	Quoted Hourly <u>Rates</u>	<u>Total</u>
Partners			
Managers			
Supervisory staff			
Staff			
Other (specify):			
Subtotal			
Out-of-pocket expenses:			
Meals and lodging			
Transportation			
Other (specify):			

Partner's maximum price for 2009 audit: _____

Note: The rate quoted should **not** be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

3.8 COMBINING SCHEDULE - ALL SERVICES DESCRIBED IN RFP SECTION III

<u>Nature of Service to Be Provided</u>	<u>Total Price</u>	<u>Schedule</u>
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EACH SERVICE DESCRIBED IN RFP SECTION 3.0 SHOULD BE SUPPORTED BY AN INDIVIDUAL SCHEDULE IN THE FORMAT PROVIDED IN SECTION 3.9 BELOW.

3.9 SUPPORTING SCHEDULE FOR [NAME OF SERVICE]

	Standard Hours	Quoted Hourly Rates	Rates	Total
Partners				
Managers				
Supervisory staff				
Staff				
Other (specify):				

Subtotal

Out-of-pocket expenses:

Meals and lodging

Transportation

Other (specify):

Total price for (NAME OF SERVICE): _____

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

SECTION 4.0 SAMPLE LETTER AND SAMPLE AGREEMENT-DO NOT EXECUTE

Mr. Kelvin Baker,
City Manager, City of North Miami Beach
17100 NE 19th Avenue North Miami Beach, Florida 33162

Dear Mr. Baker:

As part of our continuing engagement with the City of North Miami Beach, Florida (the City), we are pleased to confirm our understanding of the services we are to provide to the City for the years ended September 30, 2009 through September 30, 2011 with the option of auditing the City's financial statements for each of the two subsequent fiscal years. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the entity's basic financial statements, of the City of North Miami Beach as of and for the years ended September 30, 2009 through September 30, 2011. The document we submit to you will include the following additional information required by generally accepted accounting principles that will be subjected to the auditing procedures applied in our audit of the financial statements upon which we will provide an opinion in relation to the basic financial statements:

1. Management's Discussion and Analysis.
2. Schedule of expenditures of federal awards and state financial assistance, as applicable.
3. Combining and individual fund statements and schedules.
4. Required supplementary information.

Audit Objectives

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

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program, as applicable, in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-B3, *Audits of States, Local Governments, and Non-Profit Organizations* and the Florida Single

Audit Act and Chapter 10.550, Rules of the Auditor General of the State of Florida, as applicable.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the City Council, management, specific legislative or regulatory bodies, federal or state awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

If applicable, our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, the Florida Single Audit Act and Chapter 10.550, Rules of the Auditor General of the State of Florida, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and the Florida Single Audit Act, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the Single Audit compliance opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls and for compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal and state award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us, including any significant vendor relationships in which the vendor has the responsibility for program compliance. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, including the schedule of expenditures of federal awards, but the responsibility for the financial statements remains with you. As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting and compliance, the selection and

application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The City is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report. Additionally, as required by OMB Circular A-133 and Chapter 10.550 rules of the Auditor General, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

As part of the audit, we will prepare a draft of your financial statements, schedule of expenditures of federal awards, and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse. As required by the Single Audit Act Amendments of 1996 and OMB Circular A-133, and the Florida Single Audit Act and Chapter 10.550 Rules of the Auditor General, our audit will include tests of transactions related to major federal award programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements

or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors. Our liabilities for this engagement are limited to the fees paid for the work performed.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures-Internal Controls

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinions on the City's financial statements and on its compliance with requirements applicable to major programs.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As applicable, as required by OMB Circular A-133 and Chapter 10.550 Rules of the Auditor General, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal or state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133 and Chapter 10.550 Rules of the Auditor General.

An audit is not designed to provide assurance on internal control or to identify reportable

conditions. However, we will inform the governing body or audit committee of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. We will also inform you of any non-reportable conditions or other matters involving internal control, if any, as required by *Government Auditing Standards*, OMB Circular A-133, and Chapter 10.550 Rules of the Auditor General.

Audit Procedures-Compliance

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

OMB Circular A-133 and Chapter 10.550 Rules of the Auditor General require that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. As applicable, our procedures will consist of the applicable procedures described in the *OMB Circular A133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of those procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133 and the Florida Single Audit Act.

Audit Administration, Fees, and Other

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

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form (required under the Federal Single Audit Act only) that summarizes our audit findings. We will provide our reports to the City; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the engagement,

we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The audit documentation for this engagement is the property of _____ (Vendor) and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to regulatory agencies or its designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of _____ personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

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

We estimate that our fees for the fiscal year ended September 30, 2009 will be \$_____ (excluding Federal or Florida Single Audit Act requirements -see below). We estimate our fees for the fiscal year ended September 30, 2010 will be \$_____ (excluding Federal or Florida Single Audit Act requirements see below).

We estimate our fees for the fiscal year ended September 30, 2011 will be \$_____ which includes implementation of new auditing standards (excluding Federal or Florida Single Audit Act requirements -see below). Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audit. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If additional time is required because of unexpected circumstances or for changes in the requirements of the Governmental Accounting Standards Board or our professional auditing standards or changes in the funds structure of the City, we will discuss these circumstances with you and arrive at a new fee estimate before we incur the additional costs.

In addition, if the City of North Miami Beach is required to undergo an audit in accordance with the Federal Single Audit Act and OMB Circular A-133, *Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards* during any year of this contract, the additional fee will be \$_____ for the fiscal year ended September 30, 2009; \$_____ for the fiscal year ended September 30, 2010 and \$_____ for the fiscal year ended September 30, 2011. This fee is dependent on the number of federal programs that have to be tested as a major program in accordance with the requirements of the Federal Single Audit Act and OMB Circular A-133.

If, during any year of this contract, the City of North Miami Beach is subject to the Florida Single Audit Act and Chapter 10.550 Rules of the Auditor General, the additional fee will be

\$_____ for the fiscal year ended September 30, 2009; \$_____ for the fiscal year ended September 30, 2010 and \$_____ for the fiscal year ended September 30, 2011. This fee is dependent on the number of state programs that have to be tested as a major program in accordance with the requirements of the Florida Single Audit Act and the Rules of the Auditor General, Chapter 10.550.

Our invoices for these fees will be rendered as the work progresses, and are payable on presentation. In accordance with our firm policies, should any invoices remain unpaid for more than thirty days, we reserve the right to defer providing any additional services until all outstanding invoices are paid. You agree that we are not responsible for the impact on the City of any delay that results from such nonpayment by you.

We acknowledge your right to terminate our services at any time, and you acknowledge our right to resign at any time (including instances where in our judgment, our independence has been impaired or we can no longer rely on the integrity of management), subject in either case to our right to payment for charges incurred to the date of termination or resignation.

Government Auditing Standards require that we provide you with a copy of our most recent quality control review report. Our most recent peer review report is enclosed.

All notices or other communications which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by personal service, or by certified mail addressed to the other party at the address indicated or as may be changed from time to time. Such notices shall be deemed given on the day on which personally served, or if by mail, on the date of actual receipt.

City:
City of North Miami Beach
17100 NE 19th Avenue North Miami Beach, FL 33162
Attn: City Manager

With a copy to:
City Attorney
17100 NE 19th Avenue, 4th floor
North Miami Beach, FL 33162

This contract is renewable at the option of the City. We appreciate the opportunity to be of continued service to the City of North Miami Beach 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.

Sincerely,

ACCEPTED:

This letter correctly sets forth the understanding of the City of North Miami Beach, Florida.
17100 NE 19th Avenue, North Miami Beach, Florida 33162

Enclosure

SECTION 5.0 ADDITIONAL DOCUMENTS TO BE COMPLETED AND RETURNED WITH THE PROPOSAL**5.1 STATEMENT OF “NO” BID**

If your company will not be submitting a bid in response to this Invitation to Bid or Request for Proposal, please complete this Statement of “No” Bid Sheet and return, prior to the Bid/RFP Due Date established within, to:

The City of North Miami Beach
Administrative Services Department/Purchasing Division
Room 315
17011 NE 19th Avenue
North Miami Beach, Florida 33162

This information will help the City of North Miami Beach in the preparation of future Bids and RFP's.

Bid/RFP/RFQ Number: _____ Title _____

Company Name: _____

Contact: _____

Address: _____

Telephone: _____ Facsimile: _____

√	Reasons for “NO” Bid:
	Unable to comply with product or service specifications.
	Unable to comply with scope of work.
	Unable to quote on all items in the group.
	Insufficient time to respond to the Invitation to Bid.
	Unable to hold prices firm through the term of the contract period.
	Our schedule would not permit us to perform.
	Unable to meet delivery requirements.
	Unable to meet bond requirements.
	Unable to meet insurance requirements.
	Other (Specify below)

Comments: _____

5.2 ACKNOWLEDGEMENT OF ADDENDA

INSTRUCTIONS: COMPLETE PART I OR PART II, WHICHEVER APPLIES

PART I:

LIST BELOW ARE THE DATES OF ISSUE FOR EACH ADDENDUM RECEIVED IN CONNECTION WITH THIS BID

Addendum #1, Dated

Addendum #2, Dated

Addendum #3, Dated

Addendum #4, Dated

Addendum #5, Dated

Addendum #6, Dated

Addendum #7, Dated

Addendum #8, Dated

PART II:

☐ NO ADDENDUM WAS RECEIVED IN CONNECTION WITH THIS BID

FIRM NAME: _____

AUTHORIZED SIGNATURE: _____ DATE: _____

TITLE OF OFFICER: _____

5.3 DRUG-FREE WORKPLACE PROGRAM

A. IDENTICAL TIE BIDS - Preference shall be given to businesses with drug-free workplace programs. Whenever two or more bids which are equal with respect to price, quality, and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a bid received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie bids will be followed if none of the tied vendors have a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employee that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

VENDOR'S SIGNATURE

PRINTED NAME

NAME OF COMPANY

DATE

5.4 SOLICITATION, GIVING, AND ACCEPTANCE OF GIFTS POLICY

Florida Statute 112.313 prohibits the solicitation or acceptance of Gifts. - “No public officer, employee of an agency, or candidate for nomination or election shall solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the public officer, employee, or candidate would be influenced thereby”,. the term ‘public officer’ includes any person elected or appointed to hold office in any agency, including any person serving on an advisory body.”

City of North Miami Beach policy prohibits all public officers, elected or appointed, all employees, and their families from accepting any gifts of any value, either directly or indirectly, from any contractor, vendor, consultant, or business with whom the City does business. Only advertising office stationery or supplies of small value are exempt from this policy - e.g. calendars, note pads, pencils.

The State of Florida definition of “gifts” includes the following:

Real property, or its use.

Tangible or intangible personal property, or its use.

A preferential rate of terms on a debt, loan, goods, or services.

Forgiveness of an indebtedness.

Transportation, lodging, or parking.

Membership dues.

Entrance fees, admission fees, or tickets to events, performances, or facilities.

Plants, flowers, or floral arrangements.

Services provided by persons pursuant to a professional license or certificate.

Other personal services for which a fee is normally charged by the person providing the services.

Any other similar service or thing having an attributable value not already provided for in this section.

To this list, the City of North Miami Beach has added food, meals, beverages, and candy.

Any contractor, vendor, consultant, or business found to have given a gift to a public officer or employee, or his/her family, will be subject to dismissal or revocation of contract.

As the person authorized to sign the statement, I certify that this firm will comply fully with this policy.

SIGNATURE

PRINT NAME

TITLE

DATE

5.5 BID SIGNATURE PAGE FOR A CORPORATION

The officers of the Corporation are as follows:

NAME	ADDRESS
President _____	_____
Vice-President _____	_____
Secretary _____	_____
Treasurer _____	_____
Registered Agent _____	_____

The full names and residences of stockbrokers, persons, or firms interested in the foregoing Bid, as principals, are as follows:

_____	_____
_____	_____
_____	_____

Post Office Address	BIDDER:
_____	_____
_____	(CORPORATE NAME)
_____	PRESIDENT’S SIGNATURE

Is this corporation incorporated in the State of Florida?

ATTEST: _____
SECRETARY

YES [] NO []

If no, give address of principal place of business:

5.6 BID SIGNATURE PAGE FOR SOLE PROPRIETOR OR PARTNERSHIP

The full names and residences of persons, partners or firms interested in the foregoing Bid, as principals, are as follows:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

BIDDER

Witnesses:

(SEAL)

(FIRM NAME)

SIGNATURE

DATE

PRINT NAME

Title (Sole Proprietor or Partner)
Post Office Address:

TELEPHONE

City in which fictitious name is registered.

Attach a copy of proof of registration