

NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT

REQUEST FOR PROPOSALS ("RFP") No. 18-005

FOR INDEPENDENT AUDITING SERVICES

Released Monday, June 18, 2018

The Northwest Florida Water Management District, 81 Water Management Drive, Havana, Florida 32333-4712, is issuing a Request for Proposals (RFP) from qualified certified public accounting firms for the audit of the District's financial statements and single audits. All proposals must conform to the instructions in the RFP and comply with applicable Florida Statutes.

This RFP is posted to the State of Florida Vendor Bid System website at: http://www.myflorida.com/apps/vbs/vbs_main_menu and the District's website at <https://www.nwfwater.com/Business-Finance/Bids-Contracts>.

The deadline for submission of proposals and the opening of the sealed proposals is 2:00 PM ET on July 16, 2018. The proposal opening is open to the public and will be at District headquarters (81 Water Management Drive, Havana, Florida; off U.S. Highway 90, about 10 miles west of Tallahassee, Florida).

The Audit (Selection) Committee will meet August 9, 2018, at 12:00 PM (noon) ET at headquarters in Havana, Florida, to finalize rankings with the intention of making a recommendation to the full Governing Board on the same day, same location at 1:00 PM ET at the regularly scheduled Governing Board meeting.

Attendance at either of these public meetings is unnecessary. However, if requested, provisions will be made to accommodate the handicapped provided the District is given at least 72 hours advance notice before each of these dates.

The Audit Committee is composed of three Governing Board members who will evaluate and score the proposals. It is the intent of the District to contract with the firm with the highest ranking, using the evaluation criteria specified in the RFP. The contract shall be for a base term of five (5) years, starting with auditing the financial statements and single audits for the current fiscal year ending September 30, 2018, with options to renew the agreement for three (3) additional one-year terms subject to the mutual agreement of both parties and available funding.

A contract awarded pursuant to this RFP does not obligate the District to assign any work to a respondent nor does it obligate the District to pay a respondent the rates reflected in the RFP. The District retains the right to negotiate lower rates after contract award if it is in the best interest of the District to do so.

TABLE OF CONTENTS

SECTION 1. GENERAL CONDITIONS	3
1.1 PURPOSE.....	3
1.2 DEFINITIONS.....	3
1.3 DATE AND LOCATION OF PUBLIC OPENING.....	3
1.4 RFP ANTICIPATED SCHEDULE.....	4
1.5 DELAYS	4
1.6 NOTICE OF INTENT TO SUBMIT A PROPOSAL	4
1.7 MANDATORY PRE-RESPONSE MEETING	4
1.8 BID BOND OR PERFORMANCE BOND	4
1.9 INQUIRIES	4
1.10 ADDENDA	5
1.11 CONTINGENCY ON APPROVED ANNUAL BUDGET	5
1.12 EQUAL OPPORTUNITY.....	5
1.13 AMERICANS WITH DISABILITIES ACT	5
1.14 INSURANCE	6
1.15 PUBLIC CRIMES/DISCRIMINATORY VENDORS	6
1.16 PROHIBITED CONTACT	6
1.17 PROTEST OF RFP PROVISIONS	7
1.18 CHALLENGE OF DISTRICT’S NOTICE TO AWARD A CONTRACT	7
1.19 USE BY OTHER FLORIDA GOVERNMENT ENTITIES	7
1.20 DISCLAIMER.....	8
1.21 PUBLICITY	8
1.22 WAIVER OF MINOR IRREGULARITIES	8
1.23 INDEMNIFICATION	8
1.24 TERMINATION	8
SECTION 2. STATEMENT OF WORK.....	9
2.1 SCOPE OF WORK	9
2.2 AUDITING STANDARDS.....	10
2.3 WORK PRODUCTS REQUIRED.....	10
2.4 WORKING PAPERS RETENTION AND ACCESS TO WORKING PAPERS	12
2.5 ASSISTANCE PROVIDED BY THE DISTRICT	12
SECTION 3. TIME REQUIREMENTS	13
3.1 ANNUAL CALENDAR FOR FINANCIAL AUDIT	13
SECTION 4. DESCRIPTION OF THE DISTRICT	14
SECTION 5. RESPONDENT PROPOSALS	17
5.1 PROPOSAL REQUIREMENTS.....	17
5.2 SUBMISSION AND WITHDRAWAL	21
5.3 PACKAGING AND DELIVERY	22
5.4 DISTRICT FORMS AND RULES	23
5.5 RESPONDENT CHECK LIST	23
SECTION 6. EVALUATION AND CONTRACTING.....	24
6.1 EVALUATION CRITERIA.....	24
6.2 CONTRACT AWARD	25

SECTION 7. SUBMITTAL FORM 27
7.1 SUBMITTAL FORM 27
EXHIBIT A SCHEDULE OF EXPENDITURES..... 28
EXHIBIT B SCHEDULE OF COSTS 30
EXHIBIT C – DRAFT AGREEMENT FOR INDEPENDENT AUDITING SERVICES 31

SECTION 1. GENERAL CONDITIONS

1.1 PURPOSE

The Northwest Florida Water Management District, 81 Water Management Drive, Havana, Florida 32333-4712, (herein after referred to as the “District”) is issuing a Request for Proposals (RFP) from qualified certified public accounting firms for the audit of the District’s financial statements and single audits.

1.2 DEFINITIONS

For the purpose of this RFP, "respondent" shall mean contractors, vendors, consultants, respondents, organizations, firms, college or university, Auditor or other persons submitting a proposal in response to this RFP. All times are local times for the Eastern time (ET) zone. The same meaning applies to: “successful respondent” and “Auditor”; “Governing Board” and “Board”; “Northwest Florida Water Management District” and “District”; and “Agreement” and “contract”.

1.3 DATE AND LOCATION OF PUBLIC OPENING

Northwest Florida Water Management District
Division of Administration
81 Water Management Drive
Havana, Florida 32333-4712

**THE DISTRICT MUST RECEIVE ALL PROPOSALS BY 2:00 PM ET
ON JULY 16, 2018, THE DAY OF THE PUBLIC OPENING.**

1.4 RFP ANTICIPATED SCHEDULE

As of the date of the issuance of this RFP, the following schedule provides the operative guidelines for the sequence of anticipated events. Any changes will be posted on the District's website and the State Vendor Bid System website.

<u>Date/Time</u>	<u>Action</u>
June 18, 2018	District issues Request for Proposals
June 27, 2018, 2:00 PM	Deadline for written inquiries
July 16, 2:00 PM*	Opening of sealed Proposals
August 9, 2018, 12:00 PM*	Audit Committee meets to finalize and announce rankings
August 9, 2018, 1:00 PM*	Governing Board considers award to the top ranked firm from the Audit Committee's ranked recommendations
Contract date	As soon as practicable

*Denotes a public meeting. All times denote Eastern Time (ET).

1.5 DELAYS

The District may delay scheduled due dates if it is to the advantage of the District to do so. The District will notify respondents of all changes in scheduled due dates by posting on the District's website and the State Vendor Bid System website.

1.6 NOTICE OF INTENT TO SUBMIT A PROPOSAL

Vendors interested in responding to this RFP are encouraged to send a Notice of Intent to Submit a Proposal to the Procurement Officer. Submission of the Notice of Intent is **NOT** a pre-requisite for acceptance of sealed proposals from prospective vendors, but will be used to estimate volume of proposals.

1.7 MANDATORY PRE-RESPONSE MEETING

There will not be a mandatory pre-response meeting for this solicitation.

1.8 BID BOND OR PERFORMANCE BOND

A bid bond or performance bond or equivalent security is not required and submission of evidence of the respondent's ability to do so is not required as part of the proposal.

1.9 INQUIRIES

The Procurement Officer may orally explain the District's procedures and assist respondents in referring to any applicable provision in the Request for Proposal documents. District staff is not authorized to orally interpret the meaning of the RFP documents, or correct any apparent

ambiguity, inconsistency, or error therein. To be binding upon the District, the interpretation or correction must be given by the Procurement Officer and must be in writing. Any said inquiries must be received in writing no later than June 27, 2018, 2:00 PM ET. Inquiries shall reference the date of the RFP opening and RFP title and number. The District will provide written answers to substantive questions in the form of an addendum (see **SECTION 1.10 ADDENDA**).

Procurement Officer
Wendy Dugan
Wendy.Dugan@nwfwater.com
(850) 539-2777 (fax)

1.10 ADDENDA

If an addendum becomes necessary, the District will post written addenda on the District's website and on the State Vendor Bid System (VBS) website. All addenda issued by the District will include an addendum acknowledgement form which must be signed and included with any proposals that are submitted to the District. In the event multiple addenda are issued, a separate acknowledgement form for each addendum must be included with the proposal at the time it is submitted to the District. Prospective respondents are responsible for determining whether addenda have been issued and are advised to check the websites or with the District's Procurement Officer prior to submitting a proposal.

1.11 CONTINGENCY ON APPROVED ANNUAL BUDGET

The District's performance and obligation to pay under the resulting contract is contingent upon an annual appropriation by the Legislature and/or approval of the District's annually adopted budget.

1.12 EQUAL OPPORTUNITY

The District recognizes fair and open competition as a basic tenet of public procurement. Respondents doing business with the District are prohibited from discriminating on the basis of race, color, creed, national origin, handicap, age, sex, or disability. It is the policy of the District to ensure that qualified respondents wishing to participate in the procurement process have the maximum opportunity to compete and perform on District contracts.

The District encourages participation by minority-, veteran-, and women-owned certified business enterprises and requests firms submit evidence of such designation with their proposals. For further information on designation as a certified business enterprise, visit https://www.dms.myflorida.com/agency_administration/office_of_supplier_diversity_osd/get_certified.

1.13 AMERICANS WITH DISABILITIES ACT

The District does not discriminate upon the basis of any individual's disability status. This nondiscrimination policy involves every aspect of the District's functions including one's access

to, participation, employment, or treatment in its programs or activities. Anyone requiring reasonable accommodation as provided for in the Americans with Disabilities Act should contact Wendy Dugan, Division of Administration, at (850) 539-5999.

1.14 INSURANCE

The successful respondent shall maintain adequate insurance coverage at all times as follows: General Liability, with limits no less than \$1,000,000 per occurrence; \$1,000,000 per occurrence for personal injury; and \$1,000,000 for property damage; Professional Liability (errors and omissions), with limits no less than \$1,000,000 per occurrence; Automobile Liability, with combined single limit of not less than \$1,000,000; Workers Compensation and Employers Liability, with limits not less than \$1,000,000 for each accident for Bodily Injury by Accident, \$1,000,000 policy limit and \$1,000,000 each employee for Bodily Injury by Disease.

Evidence of all such insurance satisfactory to the District shall be furnished prior to beginning operations, and all such insurance policies shall provide for thirty (30) days' notice to the District of cancellation or any material change in the terms of the insurance policies. In the event the successful respondent is a self-insured organization, different insurance requirements may apply and must be acceptable to the District. Misrepresentation of any material fact, whether intentional or not, regarding the successful respondent's insurance coverage, policies or capabilities may be grounds for rejection of the Proposal and cancellation of any ensuing contract.

The successful respondent must obtain certificates of insurance from any subcontractor or must provide evidence satisfactory to the District that coverage is afforded to the subcontractor by the successful respondent's insurance policies.

1.15 PUBLIC CRIMES/DISCRIMINATORY VENDORS

In accordance with Sections 287.133 and 287.134, Florida Statutes, a person or affiliate who has been placed on the convicted or discriminatory vendor lists following a conviction for a public entity crime or placement on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO (\$35,000) for a period of 36 months following the date of being placed on the convicted or discriminatory vendor lists. Questions regarding the convicted vendor list may be directed to the Florida Department of Management Services, Office of Supplier Diversity, at (856) 487-0915 or www.dms.myflorida.gov.

1.16 PROHIBITED CONTACT

Respondents to this solicitation or persons acting on their behalf shall not contact, between the release of the solicitation and the end of the 72-hour period following the District posting the

notice of award (“Notice of Final Agency Action”), excluding Saturdays, Sundays, and state holidays, any employee or officer of the District or executive or legislative branch concerning any aspect of this solicitation, except in writing to the Procurement Officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a proposal in response to this RFP.

1.17 PROTEST OF RFP PROVISIONS

If a potential respondent protests any term, condition or specification of this RFP, a notice of intent to protest shall be filed with the District in writing within 72 hours after the posting of the Request for Proposals on the District’s website. **Failure to file a timely protest of a provision of the RFP within the time prescribed in Section 120.57(3) Florida Statutes, shall constitute a waiver of the right to contest a term, condition or specification of the RFP in a protest of an intended award.**

1.18 CHALLENGE OF DISTRICT’S NOTICE TO AWARD A CONTRACT

If a respondent intends to protest the District’s notice to award a contract (“Notice of Final Agency Action”), the notice of intent to protest must be filed in writing within 72 hours after the District’s posting and the respondent shall file a formal written protest within ten (10) days after filing of notice of intent to protest. Any respondent who files a formal written protest pursuant to Chapter 28-110, Florida Administrative Code, and Section 120.57(3), Florida Statutes, shall post with the District at the time of filing the formal written protest, a bond pursuant to Section 287.042(2)(c), Florida Statutes.

Failure to file a notice of intent to protest or failure to file a formal written protest and bond within the time prescribed in Chapter 28-110, Florida Administrative Code and Sections 120.57(3) and 287.042(2)(c), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

1.19 USE BY OTHER FLORIDA GOVERNMENT ENTITIES

With the consent and agreement of the District and of the successful respondent, services may be provided by the successful respondent under this RFP to other governmental entities with the State of Florida pursuant to the terms and conditions of the contract if otherwise authorized by law. These governmental entities include other water management Districts, State of Florida agencies (including members of the state university system and community college system), counties, school boards, municipalities, special Districts, and other local public agencies or authorities. The District will not be a party to any other governmental entity’s agreement to obtain these services pursuant to this RFP. The District shall not be responsible for payment of services delivered or performed for any other governmental entity that uses the services of the successful respondent pursuant to this paragraph.

1.20 DISCLAIMER

Neither the District nor its representatives shall be liable for any expenses incurred in connection with the preparation of a proposal in response to this RFP. Respondents should prepare their proposals simply and economically, providing a straightforward and concise description of the respondents' ability to meet the requirements of the RFP.

1.21 PUBLICITY

The respondent shall obtain the prior approval of the District for all news releases or other publicity pertaining to this RFP or the service, study or projects to which it relates.

1.22 WAIVER OF MINOR IRREGULARITIES

The District may waive minor irregularities in proposals received where such is merely a matter of form and not substance. Minor irregularities are defined as any deviation from a mandatory requirement of the RFP that, if waived, will not have an adverse effect on the District's interest and will not give a respondent an advantage or benefit not enjoyed by the other respondents. The District is not required to waive a minor irregularity and has the sole discretion to determine whether a minor irregularity should be waived.

1.23 INDEMNIFICATION

The respondent agrees to defend, indemnify and hold harmless the District and all District agents, employees and officers from and against all liabilities, claims, damages, expenses or actions, either at law or in equity, including attorney fees and costs and attorney fees and costs on appeal, caused or incurred, in whole or in part, as a result of any act or omission by the respondent, its agents, employees, subcontractors, assigns, heirs or anyone for whose acts or omissions any of these persons or entities may be liable during the respondent's performance under any contract resulting from this RFP. The respondent agrees to be solely liable for claims arising from the respondent's performance of services provided. Notwithstanding the foregoing, in no event will respondent indemnify or hold harmless the District (or any District agents, employees and officers) for any claims arising out of or relating to inaccurate information in the District's financial statements.

1.24 TERMINATION

Unless otherwise agreed to by the District, any contract or renewal resulting from this RFP may be terminated by the District without cause upon 30 days written notice. Termination is effective upon the 30th day as counted from the date of the written notice. In the event of termination under this paragraph, the firm will be entitled to compensation for all services provided to the District up to the date of termination on a pro-rated basis and which are allowed under the contract.

SECTION 2. STATEMENT OF WORK

The intent of this RFP is to contract with a qualified firm to conduct the audit of the District's financial statements and single audits as an independent certified public accountant.

2.1 SCOPE OF WORK

On an annual basis the District is required by Florida Statutes to have an audit performed on its financial statements for each fiscal-year period. The successful respondent, hereinafter Auditor, shall audit all funds of the District in accordance with **SECTION 2.2 AUDITING STANDARDS**.

The Auditor shall:

- a. Express an opinion on the fair presentation of the District's basic financial statements in conformity with U.S. generally accepted accounting principles (GAAP). The Auditor's opinion shall be unmodified unless the Auditor furnishes the District, on a timely basis, the reasons for modifying the opinion, disclaiming an opinion, or rendering an adverse opinion.
- b. Be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted government auditing standards.
- c. Consider, test, and report on internal controls and perform tests and report on compliance in accordance with auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, relating to the audit of the financial statements.
- d. Consider work papers and reports prepared by the Inspector General to prevent excessive duplication of audit procedures. The internal audit function is addressed in **SECTION 4. DESCRIPTION OF THE DISTRICT**.
- e. Conduct a single audit of federal awards as prescribed in the Single Audit Act of 1984, as amended in 1996 and 2003 and under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* or other applicable Federal law.
- f. Conduct a single audit of state awards as prescribed in the Florida Single Audit Act.
- g. Conduct the audits in accordance with the provisions of Chapter 10.550, Rules of the Auditor General for the State of Florida with the latest effective date.

2.2 AUDITING STANDARDS

To meet the requirements of this Request for Proposals, the audits will be performed in accordance with:

- a. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA).
- b. Standards applicable to financial audits set forth in *Government Auditing Standards*, issued by the Comptroller General of the United States, latest revision.
- c. Provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.
- d. Federal Single Audit Act of 1984 as amended in 1996 and 2003.
- e. Florida Single Audit Act, Section 215.97, Florida Statutes.
- f. Annual financial audit reports, Section 218.39, Florida Statutes.
- g. Rules adopted by the Auditor General for form and content of local governmental entity audits (Chapter 10.550, Rules of the Auditor General of the State of Florida with the latest effective date).
- h. Any other applicable federal, state, local regulations or professional guidance not specifically listed above as well as any additional requirements which may be adopted by these organizations in the future.

2.3 WORK PRODUCTS REQUIRED

The Auditor shall provide the following:

- a. Financial Statements, Notes to the Financial Statements, Required Supplementary Information, and Other Supplemental Information prepared in accordance with generally accepted accounting principles.
- b. Independent Certified Public Accountants' report on the fair presentation of the basic financial statements in conformity with generally accepted accounting principles.
- c. Single Audit Reports in accordance with the Federal Single Audit Act as amended in 1996 and 2003, and the Florida Single Audit Act, including:
 - i. Report of Independent Certified Public Accountants 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.

- ii. Report of Independent Certified Public Accountants on Compliance for each Major Federal Program and State Project and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida.
 - iii. Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.
 - iv. Schedule of Findings and Questioned Costs
- d. Independent Accountants' Report on Compliance with Section 218.415, Florida Statutes.
 - e. A management letter as required by Section 218.39(4), Florida Statutes and defined in rule 10.554(1)(i), Rules of the Auditor General. The draft of the management letter is to be discussed with key staff members before its issuance in final form.
 - f. Completed U.S. Department of Commerce, Bureau of the Census Data Collection Form to be filed with Federal Audit Clearinghouse.
 - g. Any additional reports deemed necessary as required by the auditing standards cited in **SECTION 2.2 AUDITING STANDARDS**.
 - h. One (1) original hard copy, twenty-five (25) bound copies and one (1) electronic version to be delivered to District headquarters.
 - i. Written correspondence to the Governing Board and a presentation of the audits to the District Governing Board in accordance with the Statement on Auditing Standards No. 114 issued by the AICPA.
 - j. Immediate written report of all irregularities and illegal acts, which they become aware of, to the following parties at the District:
 - Chairman of the Governing Board
 - Executive Director
 - General Counsel
 - Inspector General
 - k. Notification to each Board member if deteriorating financial conditions exist, pursuant to Section 218.39(5), Florida Statutes, that may be determined to be a financial emergency as described in Section 218.503(1), Florida Statutes, unless actions are taken to address such conditions (Section 218.39(5)(a) and (b), Florida Statutes).
 - l. Conferences throughout the process that include an (1) Entrance conference to discuss prior audit problems, interim work to be performed, time requirements, field work schedule, and establish liaison for coordination of site visits; (2) Exit conference to summarize results of the field work and discuss all significant findings and any comments that will be included in the audit report with District management; and (3) Interim

conferences as needed to inform District management of preliminary results requiring immediate attention or of other significant importance).

- m. All reports will be delivered based on a schedule as agreed to by the District and the Auditor. The District does not prepare a CAFR, but distributes the final audited financial statements.

2.4 WORKING PAPERS RETENTION AND ACCESS TO WORKING PAPERS

All working papers and reports must be retained, at the Auditor's expense, for a minimum of five (5) years beyond the audit year, unless the Auditor is notified in writing by the District of the need to extend the retention period. The Auditor will be required to make working papers available, upon request, to the following parties or their designees:

- Northwest Florida Water Management District
- U.S. Government Accountability Office (GAO)
- State of Florida, Office of the Auditor General
- Other government entities from which the District receives funding
- Auditors of entities for which the District is a sub-recipient of grant funds

In addition, the Auditor will respond to the reasonable inquiries of successor auditors and allow successor auditors to review prior years' working papers relating to matters of continuing accounting and auditing significance.

2.5 ASSISTANCE PROVIDED BY THE DISTRICT

- Bureau of Accounting staff and responsible management personnel will be available during the audits to assist the Auditor by providing information, documentation and explanations. The preparation of confirmations, any typing and reproduction will be the responsibilities of the District.
- The District will provide the Auditor's staff with reasonable work space, desks, chairs, access to telephone lines, internet access, photocopying facilities, and fax machines.
- Management is responsible for providing information for inclusion in the basic financial statements and all accompanying information. Management is also responsible for providing information in identifying government awards and assisting with preparing the schedule of federal awards and state financial assistance and compliance requirements. The Management's Discussion and Analysis will be the responsibility of the District. The Auditor shall produce the resulting financial statements, federal and state expenditure schedules and related notes contained in the audit report.

SECTION 3. TIME REQUIREMENTS

Section 218.39, Florida Statutes, requires each local government entity to have completed, within nine months of the fiscal year-end, an annual financial audit of its accounts and records. Approval of the financial audit by the District Governing Board must be obtained within this nine-month period.

The District is requesting proposals from qualified certified public accounting firms for the annual audit of the District's financial statements and single audits for a base term of five (5) fiscal years with options to renew the agreement for three (3) additional one-year terms subject to the mutual agreement of both parties and pending available funding.

3.1 ANNUAL CALENDAR FOR FINANCIAL AUDIT

The following timeline applies to the successful respondent to this RFP. The dates and descriptions are preliminary and may be modified, except that the presentation of the annual financial report must be given to the Governing Board no later than May annually at the regularly scheduled Board meeting.

September 30	Fiscal year end for the District
November	Entrance conference and interim work
February	On-site field work
April – first week	Draft submitted to District
April – second week	Exit conference
April – 21 days before the May Board meeting	Final report
May – second Thursday of the month	Presentation of final report to the Governing Board, to include, if any, District response to audit findings, including corrective action to be taken

SECTION 4. DESCRIPTION OF THE DISTRICT

The Northwest Florida Water Management District (District) is an Independent Special District created under Chapter 373, Florida Statutes, to preserve and protect the state's water resources. It is one of five regional water management districts. The District stretches from the St. Marks River basin in Jefferson County to the Perdido River in Escambia County. Sixteen counties lie within the Northwest Florida Water Management District. They include Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington counties and the westernmost portion of Jefferson County.

The Headquarters office is located near Midway off U.S. Highway 90, approximately ten (10) miles west of Tallahassee. Field offices are located in Crestview, Econfina, and Milton with additional work space in Marianna. The District is organized by divisions, bureaus, and offices. Refer to the District's Statement of Agency Organization and Operation at the following link: <https://www.nfwwater.com/Contact-Us/Open-Government>

A nine-member Governing Board appointed by the Governor and confirmed by the Florida Senate, guides District activities. Board members serve four-year terms without compensation and may be reappointed. One Board member is appointed to represent each of the District's five major hydrologic basins and four are selected at-large. The current Board members are:

- George Roberts, Chair
- Jerry Pate, Vice-Chair
- John Alter, Secretary/Treasurer
- Gus Andrews
- Jon Costello
- Marc Dunbar
- Ted Everett
- Nick Patronis
- Bo Spring

The Executive Director, Brett Cyphers, oversees a staff of 110.4 full-time equivalent positions (FTE) that include hydrologists, geologists, biologists, engineers, planners, foresters, land managers, and administrative personnel. The 110.4 FTE represent 114 head-count positions and include:

- 6 senior management positions: 1 Executive Director; 1 Chief of Staff; and 4 Division Directors
- 22 select exempt positions: 9 Bureau Chiefs and 13 Program Managers
- 73 Regular full-time positions
- 13 OPS positions of which 5 are full-time and 8 are part-time.

All full-time authorized positions participate in the Florida Retirement System, which is a cost-sharing multiple employer defined benefit plan and a defined contribution investment plan,

qualified under Section 401(a) of the Internal Revenue Code. The District also offers a 457-deferred compensation plan.

The Northwest Florida Water Management District's fiscal year begins October 1 and extends through September 30. The budget process includes statutorily required public hearings on the proposed budget and millage rates and the adoption of the Budget by a Resolution of the Board. The District prepares its budgets on a basis consistent with generally accepted accounting principles and can be located following this website path: <https://www.nfwwater.com/Business-Finance/District-Budget>.

The District is defined for financial reporting purposes, in conformity with governmental accounting standards, as a component unit of the State of Florida. There are no component units to include in the District's financial statements. The District's financial statements as of each fiscal year end are incorporated into the State of Florida's financial statements for the following year, as a discretely presented component unit. Prior year financial statements can be found on the District's website at <https://www.nfwwater.com/Business-Finance/Financial-Statements>. The District also uses Munis software version 11.2, a product of Tyler Technologies, Inc., for accounting.

The Bureau of Accounting handles payroll, accounts receivable, accounts payable, and the accounting and financial reporting functions of the District and consists of five full-time employees. This Bureau is within the Division of Administration and reports to the Division Director, Wendy Dugan. The Auditor's principal contact with the District will be Amanda Bedenbaugh, Chief of the Bureau of Accounting, or designated representative, who will coordinate the assistance to be provided by the District to the Auditor.

The District uses the following fund types in its financial reporting and all funds are considered major funds:

<u>Fund Type</u>	<u>Number of Individual Funds</u>	<u>Number With Legally Adopted Annual Budgets</u>
General fund	1	1
Special revenue fund	4	4
Capital projects fund	1	1

Section 373.079(4)(b), Florida Statutes, requires the District to employ an Inspector General who must have the qualifications prescribed and perform the applicable duties of state agency inspectors general as provided in Section 20.055, Florida Statutes. The District has an appointed Inspector General through a contractual agreement to provide Inspector General and internal audit functions. The Inspector General reports independently to the Governing Board. An audit plan is developed each year by the Inspector General with input from District staff and approved by the District's Governing Board. The Inspector General's annual audit plan, audit reports, and workpapers are available for inspection and use by the successful respondent to this RFP. The

District's Inspector General services are provided through a contractual agreement with Law, Redd, Crona & Munroe, P.A.

Section 373.079(5), Florida Statutes, authorizes the District to employ a legal staff. The District has a contractual agreement with Pennington, P.A.

The Northwest Florida Water Management District is to implement the provisions of Chapter 373, Florida Statutes, in a manner that best ensures the continued welfare of the residents and water resources of northwest Florida. The District is considered a special District in Chapter 189, Florida Statutes. Additional information on the District can be found on the District's official website: <https://www.nwfwater.com/>.

SECTION 5. RESPONDENT PROPOSALS

5.1 PROPOSAL REQUIREMENTS

Proposals submitted in response to RFP 18-005 For Independent Auditing Services shall include the following information:

- a) **Title Page**: Show the RFP # and title, name of the firm submitting the proposal, street address, telephone number, and the date.
- b) **Table of Contents**: Provide a clear identification of the material by section and page number.
- c) **Submittal Form**: Include the form in **SECTION 7.0 SUBMITTAL FORM** immediately after the Table of Contents.
- d) **Addendum Acknowledgement Form(s)**: If applicable, include the form(s) immediately after the Submittal Form. Refer to **SECTION 1.10 ADDENDA** for more information.
- e) **Transmittal Letter**: This letter should not exceed two (2) pages in length and briefly state the respondent's understanding of the work to be done, the commitment to perform the work within the specified time period, a statement of why the respondent believes itself to be the best qualified to perform the engagement, and a statement that the proposal is a firm and irrevocable offer for 90 days after the submission date of the proposal. The letter is to include the names of the individuals who will be authorized to make representations for the organization, their titles, mail (street) addresses, email addresses, and telephone numbers. This letter must be signed by an official authorized to negotiate for and bind the firm stated on the Title Page and be the same individual who signs the Submittal Form in **SECTION 7.0 SUBMITTAL FORM**.
- f) **Firm Qualifications and Experience**: This section is to provide the following about the firm:
 1. A profile of the firm's history, and whether local, regional or national, and office location(s). Address overall experience providing audit services and in preparing and auditing governmental financial statements, including experience with state and local government entities in Florida. Include number of staff in the firm and how many focus on governmental audits.
 2. A description of the firm's experience with specific state and Federal grant programs, particularly with the types of grants related to the District which are listed on **Exhibit A**, "NFWFMD Schedule of Expenditures of Federal Awards and State Financial Assistance."
 3. If the proposal is a joint venture, consortium, or prime/subcontractor team, the qualifications of each shall be separately identified and the firm that is to serve as the principal Auditor shall be noted in this section and as the firm listed on the Title Page.

4. An affirmative statement from the respondent that it meets the appropriate criteria for independence as defined by generally accepted auditing standards/the U.S. General Accounting Office's Government Auditing Standards. Provide a list and describe professional relationships, if any, that involved the District in the past five (5) years.
5. Documentation that the respondent is duly licensed under chapter 473, F. S., as a certified public accounting firm and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy (FBOA). Submit a copy of the license with proposal and documentation of qualifications to conduct audits per FBOA.
6. A statement to address if the respondent has previously been engaged in the same or similar business under another firm or trade name. If so, include a description of each instance.
7. Certification from the Florida Secretary of State, if respondent is a Florida corporation, limited liability company or partnership, verifying respondent's corporate status and good standing. If respondent is an out-of-state corporation, limited liability company or partnership, provide a certification from the governing office of the respondent's home state verifying the respondent's corporate status and good standing and provide evidence of authority from the Florida Secretary of State to conduct business in the State of Florida.
8. Documentation of the firm's latest peer review. Provide a statement if the quality control review included a review of specific government engagements. Provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years.
9. Information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with respect to auditing standards, attestation standards, or violations of the code of professional conduct with any state board of accountancy or with the AICPA.
10. A summary of any litigation filed against the firm in the past three (3) years which is related to services that the firm provides in its regular course of business. The summary shall state the nature of the litigation, a brief description of the case, the outcome or projected outcome, and the monetary amounts involved.
11. A statement to address if the respondent has ever been adjudicated bankrupt, initiated bankruptcy, or been the subject of bankruptcy proceedings on behalf of the current entity submitting this proposal or a prior entity that the respondent substantially operated or controlled. If yes, describe the nature and result of the proceedings and the entity involved.
12. A statement to address if any conflict of interest exists; specifically, disclosing the name of any officer, director, board member, or agent who is also an employee of the State of Florida, any of its agencies, or of the District. Further, disclose the name of any state employee or any Board member or employee of the District who owns directly or indirectly an interest of five percent (5%) or more in the firm, its subsidiaries or branches.

13. A statement that the respondent understands and will comply with Section 20.055(5), Florida Statutes, as it pertains to cooperating with inspectors general.
14. References for engagements of a similar nature. For the firm's office that will be assigned to provide audit services to the District, list at least three (3) Florida governmental clients with significant engagements performed in the last five (5) years similar in nature to the engagement described in this RFP. Indicate for each engagement:
- Public entity name
 - Scope of work description
 - Start and completion dates (month and year)
 - Total hours
 - Entity's current contact information: person's name, street address, city, email address, and telephone number.

This District cannot be used as a reference. If work has not been conducted for at least three Florida governmental clients, then add Florida-based non-profit private organizations followed by other Florida-based entities to provide a minimum of three references in total.

- g) **Personnel Qualifications and Experience**: This section is to contain qualifications and experience of the personnel expected to conduct the services identified in this RFP. Include the following:

1. The location of the office(s) from which the work is to be performed and the number of personnel in that office who will be working on this engagement full-time and part-time. Specify any audits this proposed team has worked on together.
2. Identification of the principal supervisory and management staff, including engagement partners, managers, and others who will be assigned to the engagement. The position titles in this section must match with the position titles in **Exhibit B** "Schedule of Costs." If subcontracting, clearly delineate staff and tasks of the "prime" and "sub". Indicate if each of these persons are licensed to practice as a certified public accountant in Florida and if they have properly maintained Continuing Professional Education (CPE) credits in governmental accounting, as required by the Board of Accountancy. Resumes for each employee to be assigned to perform the District's audit are to be submitted and include at least the following:
 - Formal education
 - Length of employment with the firm
 - Any supplemental education relative to governmental accounting and auditing
 - Experience in public accounting in general
 - Experience in private business or government
 - Experience in auditing governmental units

- Membership in national and state governmental accounting boards, committees, or associations (present and past)
 - Professional recognition, such as Certified Public Accountant licenses, awards, etc.
3. How the quality of staff over the term of the agreement will be maintained.
 4. The availability of the firm and the individuals proposed to provide the service within time requirements. Identify the extent and nature of any anticipated outside support.
- h) **Technical Proposal**: This section is to explain the requested Statement of Work as understood by the respondent including:
1. A statement of the proposed work objectives and scope.
 2. Audit methodology and rationale for the proposed approach.
 3. Proposed engagement management plan, including staffing assignments, sampling techniques, analytical procedures, internal controls, and compliance testing with laws and regulations.
 4. Other value-added services as part of the audit process or offered by the respondent.
- i) **Schedule of Costs**: A schedule of costs must be submitted to address the following:
1. A completed **Exhibit B** “Schedule of Costs” with a Total All-Inclusive Maximum Price for each of the first three audit engagements for fiscal years ending September 30, 2018, September 30, 2019, and September 30, 2020. A total price for each of these three audit engagements is to contain all pricing information relative to performing an audit engagement as described in this RFP, including all direct and indirect costs, all out-of-pocket expenses such as travel, printing, courier services, and telecommunications, and any other costs expected to be incurred during the audit engagement.
 2. Job titles, estimated hours, and hourly rates for proposed staff for each of these three fiscal years must be shown in **Exhibit B**.
 3. Price Escalation/De-Escalation methodology for subsequent years must be included and will be considered as part of the evaluation of proposals. Once awarded, the successful respondent must confirm each subsequent year’s engagement costs by April 30th using a similar Schedule of Costs in **Exhibit B** or other agreed upon form.
 4. If it should become necessary, the District may require the Auditor's assistance to comply with audit requirements which may include implementing and complying with any new reporting requirements mandated by the Governmental Accounting Standards Board (GASB), and assistance throughout the year to discuss different types of accounting or other accounting related issues prior to the year-end audit. The District is anticipating that this type of assistance will be minimal and will be included into the cost of the basic financial statements. If material assistance is

- required, the Auditor will inform the District of the required fee prior to providing the assistance. Any fees charged will not exceed the quoted hourly rate set forth in **Exhibit B** for the appropriate staff.
5. Please note that the District is exempt from federal excise tax (exemption number 59-1531621) and state sales tax (exemption number 85-8012643817C-5). Costs must be inclusive of Florida State sales and any other taxes, except federal excise tax, applicable to materials purchased by the respondent in accordance with Florida and federal law.

5.2 SUBMISSION AND WITHDRAWAL

The District will receive proposals at the following address:

Northwest Florida Water Management District
Attn: Agency Clerk, Division of Administration
81 Water Management Drive
Havana, Florida 32333-4712

Please be advised that mail delivery to the District is not always by 2:00 PM ET.

For deliveries via hand delivery, please use the address below:

Northwest Florida Water Management District
81 Water Management Drive
U.S. Highway 90 west, 10 miles west of Tallahassee

**THE DISTRICT MUST RECEIVE ALL PROPOSALS BY 2:00 PM ET
ON JULY 16, 2018, THE DAY OF THE PUBLIC OPENING.**

Proposals received after this deadline will not be considered.

The District cautions respondents to assure actual delivery of mailed or hand delivered proposals directly to the Agency Clerk in the District's Division of Administration prior to the deadline set for opening. Telephone confirmation of timely receipt of the proposal may be made by calling (850) 539-5999 and asking for the Agency Clerk before the proposal opening time. Proposals by telegram, telephone, email or fax will not be accepted. The Northwest Florida Water Management District is in the Eastern Time Zone, approximately ten (10) miles west of Tallahassee on U.S. Highway 90. Please be advised that mail delivery to the District is not always by 2:00 PM ET.

Receipt of a proposal by any District office or personnel other than the District receptionist or the Agency Clerk in the Division of Administration shall not constitute "delivery" as required by this RFP.

A respondent may withdraw a proposal by notifying the District in writing at any time prior to the opening. Respondents may withdraw proposals in person or through an authorized

representative. Respondents and authorized representatives must disclose their identity and provide a signed receipt for the sealed proposal. Proposals, once opened, become the property of the District and will not be returned to the respondents.

Proposals received by the District in response to this RFP will become a public record (unless an exemption to Florida's Public Records Law applies) when the District posts notice of its decision concerning a contract award ("Notice of Final Agency Action") or 30 business days after opening the proposals, whichever is earlier. If the District rejects all proposals and concurrently provides notice of its intent to reissue the RFP, the rejected proposals remain exempt from Florida's Public Records Law until the District provides notice of an intended decision concerning the reissued RFP or until it withdraws the reissued RFP. A proposal is not exempt for longer than 12 months after the initial notice rejecting all proposals.

By submitting a proposal, each respondent agrees that its proposal shall remain a valid offer for at least 90 calendar days from June 18, 2018 and that, in the event the contract award is delayed by appeal or protest, such 90-day period is extended until entry of a final order in response to such appeal or protest. Any proposal that expresses a shorter duration may, in the District's sole discretion, be accepted or rejected.

5.3 PACKAGING AND DELIVERY

Four (4) printed proposals must be submitted in a sealed opaque envelope along with one USB flash drive containing an Adobe® PDF version of the proposal. Only one of the four is required to contain an original signature from an official who is authorized to bind the firm to the reply. The original must be clearly marked as the original and copies numbered as copy #1, copy #2, and copy #3 for distribution purposes by the District. Printed proposals must be typed on 8-1/2" x 11" paper. Pages must be numbered in a logical, consistent fashion.

Proposals must be submitted in person, by courier, or by mail. Proposals by telegram, telephone, email or fax will not be accepted. The following instructions must be typed on or affixed to the outermost package containing the proposals in capital letters:

"SEALED PROPOSAL RFP 18-005 FOR INDEPENDENT AUDITING SERVICES, TO BE OPENED JULY 16, 2018, 2:00 PM ET AT THE HEADQUARTERS OF THE NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT."

The outermost package shall also include the respondent's name and business address. Packages received but not properly marked may be considered as nonresponsive.

Respondents who utilize courier service packing and shipping materials must ensure proposals are still sealed inside the courier-supplied shipping materials. Please see **SECTION 5.2 SUBMISSION AND WITHDRAWAL** for more information.

5.4 DISTRICT FORMS AND RULES

All applicable forms supplied by the Northwest Florida Water Management District shall be submitted with proposals. All proposals must comply with applicable Florida Statutes, laws, and rules.

5.5 RESPONDENT CHECK LIST

Please review this checklist to ensure that you have properly followed the instructions. Many bids and proposals are rejected due to the respondent simply failing to comply with required preparation and submission requirements.

- Have you performed a final review of your response to ensure you included all documentation included in **SECTION 5.1 PROPOSAL REQUIREMENTS**?
- Have you signed and included the Submittal Form?
- Have you checked for and signed all Addenda Acknowledgement forms, if applicable?
- Is your envelope properly marked? See **SECTION 5.3 PACKAGING AND DELIVERY** for further details. All incoming correspondence is opened when received unless properly marked for a specified opening date and time. If your proposal is opened prior to the designated date and time, **it cannot be considered.**
- Have you selected the method of shipping that will ensure that your proposal will arrive before the deadline? Proposals received after the date and time specified **will not be considered.**

SECTION 6. EVALUATION AND CONTRACTING

6.1 EVALUATION CRITERIA

Evaluation of the submitted proposal materials will be conducted by an Audit Committee comprised of three Governing Board members of the Northwest Florida Water Management District using these four (4) criteria and assigned weights. The evaluation scale for determining points is as follows:

More than adequate.....8 to 10 points

Adequate5 to 7 points

Less than adequate1 to 4 points

Not addressed/no response.....0 points

	Criteria	Weight	Points	Weight x Points
1	Firm Qualifications and Experience	30	Max points = 10	Max weighted points = 300
2	Personnel Qualifications and Experience	20	Max points = 10	Max weighted points = 200
3	Technical Proposal	20	Max points = 10	Max weighted points = 200
4	Schedule of Costs	30	Max points = 10	Max weighted points = 300
		100		Max weighted score = 1,000
A proposal's score for ranking purposes is the average of the three Audit Committee members' total weighted scores for that proposal. For example, if a proposal received three weighted scores of 730, 790, 820, the proposal's weighted score would be 780.				

Price is not the sole or predominant factor used to select a firm.

After the proposal opening and prior to the Audit Committee members receiving their proposal copies, a listing of timely proposals will be posted to the District's website. The Agency Clerk will review the contents of each submittal to ensure all the mandatory elements have been properly completed and submitted. If any deficiencies are found, a determination will be made with the District's General Counsel whether the deficiency warrants disqualification of a proposal. If a proposal is determined to be disqualified, a statement of rejection will be noted on the listing next to the respondent's name.

Each Audit Committee member will complete a separate evaluation form for each proposal and independently evaluate and give points to the criteria for each proposal. During the evaluation

process, the District reserves the right, where it may serve the District's interest, to request additional information from respondents for clarification purposes only.

Each criterion is weighted so that the points given for a criterion will be multiplied by the assigned weight. The total weighted scores from each member for a proposal will be averaged and will become the score for that proposal. The Audit Committee members will meet in person and/or by means of communications media technology, such as via telephone conference, on August 9, 2018, 12:00 PM (noon) ET at headquarters in Havana, Florida to finalize the ranking and selection, based on the evaluation criteria. All responsive proposals will be ranked in order from highest to lowest score and serve as the recommended ranking of the Audit Committee, unless otherwise documented during the Audit Committee meeting. If fewer than three firms respond to the RFP, the Audit Committee will recommend such firms as it deems to be the most highly qualified.

If there are proposals with the same final score resulting in a tie within the four highest ranked firms, the tie will be broken by the respondent earning the most points from the following, each being assigned one point for a total of up to three points: (1) to the respondent that certifies compliance with s. 287.057(11), F.S., as a certified minority business enterprise; (2) to the respondent that certifies compliance with s. 295.187(4), F.S., as a certified veteran's business enterprise; and (3) to the respondent that certifies compliance with s. 287.087, F.S., having implemented a Drug-Free Workplace program. If there is still a tie, the tie will be broken by lot (for example, coin toss).

Later that same day and same location of the Audit Committee meeting, the full Board will vote on the recommendation of the Audit Committee during the duly noticed public Governing Board meeting on August 9, 2018, 1:00 PM.

6.2 CONTRACT AWARD

The District anticipates entering into a contract with the respondent who submits a proposal judged by the District to be most advantageous taking into consideration the evaluation criteria set forth in this RFP and the ranking of the Audit Committee.

The initial contract shall be for a base term of five (5) years with options to renew the agreement for three (3) additional one-year terms subject to the mutual agreement of both parties and pending available funding.

The District reserves the right to reject any and all proposals, to waive any minor irregularities and to solicit and re-advertise for other proposals. Mistakes clearly evident on the face of the proposal documents, such as computation errors, may be corrected by the District.

The respondent understands that this RFP does not constitute an agreement or a contract with the District. An official contract is not binding until proposals are reviewed and accepted by the Audit Committee, approved by the appropriate level of authority within the District, and the contract or agreement is executed by both parties. A contract awarded pursuant to this RFP does

not obligate the District to assign any work to a respondent nor does it obligate the District to pay a respondent the rates reflected in the respondent's Schedule of Costs. The District retains the right to negotiate a lower Schedule of Costs after the contract award, if it is in the best of the District to do so.

The Governing Board, or its designee, will negotiate a contract with a firm in accordance with Section 218.391, Florida Statutes. A negotiated contract may be subject to the approval of the Governing Board at a duly noticed Board meeting. The contract will take precedence in the event of any conflict between language in the contract and this RFP.

The contract document must comply with Section 218.391(7), Florida Statutes, in terms of containing required provisions as well as contract clauses stipulated by the District, including but not limited to invoicing requirements. **Exhibit C** "Draft Agreement for Independent Auditing Services," is included in this RFP.

Notice of a contract award ("Notice of Final Agency Action") shall be posted on the District's website and on the State of Florida Vendor Bid System website. Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of the proceedings under Chapter 120, Florida Statutes.

SECTION 7. SUBMITTAL FORM**7.1 SUBMITTAL FORM**

I, the undersigned, having read all parts of this Request for Proposals, RFP #18-005, and having a comprehensive understanding of all provisions, conditions, rules, requirements, and restrictions contained herein, agree to same and respectfully submit the proposal contained herein. This submission is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive response. It is not a collusion or sham proposal. The prices and amounts have been derived at independently and without consultation, communication, or agreement with any other respondent or potential respondent; the Schedule of Costs have not been disclosed to any other respondent or potential respondent, and they will not be disclosed before the solicitation opening.

 Authorized Signature

 Position or Title

 Typed Name of Above Signature

 Agency or Company

 Area Code Telephone Number

 Street Address

 E-mail Address

 City State Zip

 Federal Employers Identification (FEID#)
 (Use SS# if no FEID#)

Unsigned proposals may be rejected by the Agency Clerk of the Northwest Florida Water Management District.

 Agency Clerk
 Northwest Florida Water Management District

EXHIBIT A
NWFWMD SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/Pass-Through Grantor/ Grant Program	CFDA Number	Grant ID Number	Expenditures
Federal Awards			
U.S. Department of Homeland Security			
Cooperating Technical Partners	97.045	EMA-2009-CA-5937	\$ 198,256
Cooperating Technical Partners	97.045	EMA-2010-CA-5085	74,316
Cooperating Technical Partners	97.045	EMA-2011-CA-5142	165,134
Cooperating Technical Partners	97.045	EMA-2012-CA-5261	43,265
Cooperating Technical Partners	97.045	EMA-2013-CA-5352	20,823
Cooperating Technical Partners	97.045	EMW-2014-CA-00047	121,002
Cooperating Technical Partners	97.045	EMW-2015-CA-00043	65,444
Cooperating Technical Partners	97.045	EMW-2016-CA-00003	271,613
Total U.S. Department of Homeland Security			<u>959,853</u>
U.S. Forest Service, Fish and Wildlife Foundation			
Passed through the Longleaf Alliance	12.630	1903.16.052256	<u>6,500</u>
U.S. Environmental Protection Agency			
Passed through State of Florida Department of Environmental Protection: Water Quality Management Planning	66.454	G0373	<u>61,724</u>
Total Federal Expenditures			<u><u>\$ 1,028,077</u></u>

EXHIBIT A
NWFWMD SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(concluded)

State Grantor/Program Title	CSFA Number	Grantor Number	Expenditures	Amounts Provided to Sub-recipients
State Financial Assistance				
State of Florida Department of Environmental Protection				
State-wide Surface Water Restoration and				
Wastewater Projects	37.039	G0423	\$ 86,659	\$ 0
Wastewater Projects	37.039	MN004	21,966	0
Wastewater Projects	37.039		77,202	63,671
Wastewater Projects	37.039	S0810	454,250	454,250
			<u>640,077</u>	<u>517,921</u>
Water Management District Operations (State General Revenue)	37.037		3,360,000	121,125
Water Management District Permitting Assistance (State General Revenue)	37.037		1,682,710	0
Water Management District Land Acquisition and Improvement - MFL (State LATF)	37.022		1,500,000	0
Water Management District Land Acquisition and Improvement - Lands Management (State LATF)	37.022		1,610,000	158,270
			<u>8,152,710</u>	<u>279,395</u>
Florida Springs Grant Program (LATF)	37.052	LP01107	2,625	0
Florida Springs Grant Program (LATF)	37.052	S0809	565,347	565,347
Florida Springs Grant Program (General Revenue)	37.052	S0809	118,996	0
Florida Springs Grant Program (General Revenue)	37.052	S0807	158,270	0
Florida Springs Grant Program (LATF)	37.052	S0798	15,000	0
Florida Springs Grant Program (General Revenue)	37.052	S0798	221,100	0
Florida Springs Grant Program (LATF)	37.052	S0869	17,079	0
Florida Springs Grant Program	37.052	S0810	2,578,152	2,578,152
Florida Springs Grant Program	37.052	S0775	270,037	0
			<u>3,946,606</u>	<u>3,143,499</u>
Total State Financial Assistance			<u>\$ 12,739,393</u>	<u>\$ 3,940,815</u>

EXHIBIT B SCHEDULE OF COSTS

Submit a template comparable to this exhibit. For the first three fiscal year audit engagements, include a total all-inclusive price for the Fiscal Year 2018 audit, the Fiscal Year 2019 audit, and the Fiscal Year 2020 audit. All direct or indirect costs, out-of-pocket costs and any other costs are to be incorporated into the hourly rates. Add a price escalation/de-escalation methodology for remaining audit engagements for fiscal years 2021 through 2025.

Job Titles	Estimated Hours	Hourly Rates	Total Cost
Year 1 of base term: Total All-Inclusive Price for <i>Fiscal Year 2018 Audit</i> :			

Job Titles	Estimated Hours	Hourly Rates	Total Cost
Year 2 of base term: Total All-Inclusive Price for <i>Fiscal Year 2019 Audit</i> :			

Job Titles	Estimated Hours	Hourly Rates	Total Cost
Year 3 of base term: Total All-Inclusive Price for <i>Fiscal Year 2020 Audit</i> :			

Add lines above as needed for each proposed staff position mentioned under **Personnel Qualifications and Experience**.

Respondent’s Price Escalation/De-Escalation Methodology for remaining audit engagements for fiscal years 2021 through 2025:

EXHIBIT C – DRAFT AGREEMENT FOR INDEPENDENT AUDITING SERVICES

Agreement for Contractual Services for Independent Auditing Services Between Northwest Florida Water Management District And [Auditor] (NFWFMD Contract Number 18-XXX)

This agreement (the “Agreement”) is by and between the Northwest Florida Water Management District (hereinafter, the District) and _____ (hereinafter, the Auditor). All references to the parties hereto include the parties, their officers, employees, agents, successors, and assigns. The District and Auditor hereby agree as follows:

SECTION 1 – CONTRACT DOCUMENTS

The contract documents which make up this Agreement consist of this (1) Agreement document; (2) the Request for Proposals (RFP) No. 18-005; (3) any addenda issued prior to the execution of this Agreement; (4) the Auditor’s submitted proposal to the RFP; (5) the Governing Board’s approval of submitted proposal, certifications; (6) Auditor engagement letter dated _____ 2018; and (7) any special conditions or other attachments. These documents are part of this Agreement as if attached to this Agreement, whether or not they are actually attached. This Agreement shall take precedence over all solicitation documents (items 2 – 4).

SECTION 2 – TERM OF THIS AGREEMENT

- A. The base contract is effective on the date it is executed by the last party to execute it, and shall remain in effect to satisfactorily complete the annual audit engagements for five fiscal years beginning with the Fiscal Year ending September 30, 2018 through September 30, 2022.
- B. Unless terminated earlier as provided herein, at least thirty (30) days prior to the last day of its term, this base contract may be renewed on the same terms and conditions as set out herein for three (3) additional one-year terms for audit engagements for Fiscal Years 2023, 2024, and 2025 by the mutual and written consent of each party.
- C. The District’s performance and obligation to pay under this contract is contingent upon an annual appropriation by the Florida Legislature and/or approval of the District’s annually adopted budget.

SECTION 3 – COMMENCEMENT OF WORK

- A. Auditor shall commence the Statement of Work provided in the RFP based on an agreed upon audit calendar submitted to and approved by the District’s Contract Manager. Auditor shall perform the Scope of Work, meet the requirements of the Auditing Standards, and provide the Required Work Products regularly, diligently, and uninterruptedly in accordance with the Statement of Work and meet the Time Requirements stated therein. Auditor shall not commence the Scope of Work until any required submittals are received and approved, including but not limited to the agreed upon audit calendar, financial consequences (see SECTION 18), corporate certification, certificates of insurance, and signed Agreement.

SECTION 4 – TERMINATION OF CONTRACT

- A. The District or its designated representatives will decide all questions, difficulties, and disputes of whatever nature which may arise under or by reason of this contract. The District's decision upon all claims, questions and disputes shall be final, conclusive and binding upon the parties hereto. This Section 4 does not preclude any party from seeking relief by filing a petition for administrative hearing pursuant to Chapter 120, Florida Statutes.
- B. If the Auditor fails to fulfill its obligations in a timely and proper manner under this contract, or if the Auditor violates any of the covenants, agreements, or stipulations of this contract, the District has the right to terminate this contract. This right to terminate will be exercised by giving written notice to the Auditor of such termination and specifying the reason and effective date thereof. Upon notice of intent to terminate this contract by the District, the Auditor will have a contract resolution period not to exceed 30 days to resolve deficiencies, disputes or other contract issues to the District's satisfaction before the termination is final. During this resolution period the Auditor will not initiate any new work requiring additional compensation without written approval by the District.
- C. The District or the Auditor may at any time and for any reason terminate this contract at its convenience, upon giving 30 calendar days prior written notice to the Auditor or Board, respectively. Upon termination (regardless of who terminates) all finished or unfinished documents, workpapers, data, studies, correspondence, reports and other products prepared by the Auditor for the District under this contract shall be made available to and for the exclusive use of the District.
- D. The Auditor shall not be relieved of liability to the District for damages sustained by the District because of any breach of this contract, without prejudice to any other rights the District may have because of such breach, including but not limited to the right to consequential or incidental damages.
- E. In the event the District terminates this contract, other than for breach by the Auditor, the Auditor shall be entitled to compensation for all services provided to the District up to the date of termination on a pro-rated basis and which are allowed under the contract. The Auditor also agrees to provide all work products completed or in progress at the date of termination.

SECTION 5 – SCOPE OF SERVICES

- A. The Auditor shall perform and render all services as an independent Contractor of the District and not as an agent, representative, or employee of the District. Services shall be provided in accordance with the Auditor's proposal submitted under RFP 18-005 entitled "Independent Auditing Services" incorporated herein by reference, and at the discretion of the District.

SECTION 6 – SCHEDULE OF COSTS

- A. For satisfactory performance in meeting the requirements of the RFP and per the awarded proposal, the Auditor shall be paid based on the agreed upon annual Schedule of Costs as presented in the submitted proposal to RFP No. 18-005 entitled "Independent Auditing Services" incorporated herein by reference.

- B. The Auditor shall make affirmative efforts to achieve cost effectiveness by limiting travel, streamlining case processing, using printed forms, using the appropriate level of staff experience required by task, and taking other actions to improve efficiency.

SECTION 7 – PROCEDURE FOR PAYMENT

- A. The Auditor shall submit invoices no more frequently than monthly. Each invoice submitted must be in detail sufficient for pre-audit and post-audit review. All costs listed on a statement shall be for services that have already been rendered and costs that have already been paid.
- B. An original invoice, including appropriate backup documentation, shall be submitted to the District's Contract Manager, at the following address. An original invoice may be submitted either electronically to AccountsPayable@nfwwater.com (preferred method) or in hard copy.

Amanda Bedenbaugh (or successor)
Bureau of Accounting
Northwest Florida Water Management District
81 Water Management Drive
Havana, FL 32333-4712

- C. Each statement shall be submitted in a format that includes, at a minimum, the following information:
1. District contract number
 2. Invoice number and date of invoice for the particular bill
 3. Inclusive dates of the month(s) covered by the invoice.
 4. The Auditor's name, address, and taxpayer identification number
 5. Itemization of the dates of work; hours incurred by position; a concise, meaningful description of the services rendered with sufficient detail to enable the District to evaluate the services rendered demonstrating compliance with the agreement; and a project completion percentage times the agreed upon annual Schedule of Costs.
 6. The total only of the current bill. Prior balances or payment history should be shown separately, if at all.
 7. A certification statement, signed by the Auditor's contract administrator that reads, "I certify that all costs and fees claimed for payment are accurate and were performed in furtherance of the contract between the Auditor and the Northwest Florida Water Management District."
 8. Any other information as may be requested by the District's Contract Manager.
- D. Unless otherwise agreed between the parties, payment is due for statements no later than 30 days after receipt by the District.
- E. The District may withhold or, because subsequently discovered evidence, nullify, in whole or in part, any payment to such an extent as may be necessary to protect the District from loss as a result of: (1) defective work not remedied (2) failure of Auditor to make payments when due to subcontractors or

suppliers for materials or labor, if applicable; (3) failure to maintain adequate progress in the Scope of Work or Time Requirements; or (4) any other material breach of this contract. Amounts withheld shall not be considered due and shall not be paid until the ground(s) for withholding payment have been remedied.

F. The District shall pay the Auditor 100% of each approved invoice.

SECTION 8 – RESPONSIBILITIES OF AUDITOR

- A. The Auditor is responsible for the timely completion, professional quality, and technical accuracy of all work and services provided to the District under the terms of this contract. The Auditor shall, without additional compensation, correct or revise any errors, omissions or other deficiencies identified by the District in plans or reports in conjunction with all other services provided for under this contract.
- B. The Auditor shall be, and shall remain, liable in accordance with applicable law for all damages to the District caused by the Auditor’s negligent performance of any of the services furnished under this contract.
- C. The Auditor shall indemnify and hold harmless the District, and its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys’ fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the Auditor, inclusive of persons employed by the Auditor or used by the Auditor in the performance of this contract.
- D. The Auditor warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the Auditor to solicit or secure this contract and that the Auditor has not paid or agreed to pay any person, company, corporation, individual, or Auditor, other than a bona fide employee working solely for the Auditor any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this contract or subsequent renewals.
- E. In accordance with Section 216.347, Florida Statutes, expenditure of District funds for purposes of lobbying, including of the Legislature, judicial branch, or any state agency, is prohibited.

SECTION 9 – APPROVALS AND NOTICES

- A. All notices and written communication between the parties shall be sent by electronic mail, U.S. Mail, a courier delivery service, or delivered in person addressed to the individuals listed below. Notices shall be considered delivered when reflected by an electronic mail read receipt, a courier service delivery receipt, other mail service delivery receipt, or when receipt is acknowledged by recipient.
- B. The District’s Contract Manager for this contract is identified below:

Amanda Bedenbaugh, or successor	
Northwest Florida Water Management District	
81 Water Management Drive	
Havana, FL 32333-4712	
Telephone No.:	(850) 539-5999 x.XXX

Fax No.:	(850) 539-2777
E-mail Address:	[EMAIL@nwfwater.com]

The Auditor's Contract Manager for this contract is identified below:

[Auditor's Contract Manager's Name], or successor	
[Company Name]	
[Office or Program Name, if applicable]	
[Mailing Address]	
[City, State and Zip]	
Telephone No.:	(XXX) XXX-XXXX
Fax No.:	(XXX) XXX-XXXX
E-mail Address:	

- C. No amendment to this contract shall be effective unless agreed in writing and executed by the parties hereto.
- D. The District may, at any time, request additional assistance. If material assistance is required, the Auditor will inform the District of the required fee prior to providing the assistance. Any fees charged will not exceed the quoted hourly rate for the appropriate staff as provided for in the Schedule of Costs.
- E. The District shall, at its sole discretion, determine whether the Auditor services have been satisfactorily completed.
- F. The Auditor agrees to assume responsibility for all claims, demands, liabilities, and suits of any nature to the extent resulting from any act or failure to act by the Auditor, its agents or employees to the extent permitted by Florida law.
- G. The Auditor agrees that its failure to allow public access to all documents, papers, letters or other material, subject to any exceptions contained in Chapter 119, Florida Statutes, constitutes a material breach of this Agreement that entitles the District to all remedies available by law, including the cancellation of this Agreement.

SECTION 10 – INSURANCE

- A. The Auditor shall maintain adequate insurance coverage at all times as follows: General Liability, with limits no less than \$1,000,000 per occurrence; \$1,000,000 per occurrence for personal injury; and \$1,000,000 for property damage; Professional Liability (errors and omissions), with limits no less than \$1,000,000 per occurrence; Automobile Liability, with combined single limit of not less than \$1,000,000; Workers Compensation and Employers Liability, with limits not less than \$1,000,000 for each accident for Bodily Injury by Accident, \$1,000,000 policy limit and \$1,000,000 each employee for Bodily Injury by Disease.
- B. Evidence of all such insurance satisfactory to the District shall be furnished prior to beginning operations, and all such insurance policies shall provide for thirty (30) days' notice to the District of cancellation or any material change in the terms of the insurance policies.

SECTION 11 – OWNERSHIP OF WRITTEN MATERIALS PRODUCED UNDER THIS CONTRACT

- A. Anything that is produced by or developed in connection with this contract shall be the exclusive property of District and no one other than the District shall have any proprietary interest therein. No one other than the District may copyright, patent, or otherwise restrict the use thereof as provided by law.
- B. Unless otherwise specified, all draft written materials shall be submitted to the District in editable electronic format from the Auditor, and hard copies shall be provided as requested by the District. All materials shall be of sufficient quality to be reproducible.

SECTION 12 –WORK PRODUCT

- A. All documents prepared by the Auditor pursuant to this contract shall be marked with a notice stating that the information contained in that document is exempt from disclosure for a period of time in accordance with the Public Records Law. However, failure to so mark said documents shall not constitute a waiver of the work product privilege or other exception to the Public Records Law.
- B. The Auditor shall be responsible for the validation of all data collected by the Auditor and shall be responsible for the accuracy of all documents and reports submitted to the District.

SECTION 13 - COMPLIANCE WITH APPLICABLE LAWS

- A. The Auditor shall comply with all Federal, State, and local laws and ordinances applicable to the work and shall not discriminate on the grounds of race, color, religion, sex, or national origin in the performance of work.

SECTION 14 – CHOICE OF LAW/FORUM

- A. The parties hereby agree that any and all actions or disputes arising out of this contract shall be governed by the Laws of the State of Florida; and any such actions shall be brought in Leon County, Florida.
- B. Failure to file a protest within the time prescribed in s. 120.57(3), F.S., or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under chapter 120, Florida Statutes.

SECTION 15 – PUBLIC ENTITY CRIME/DISCRIMINATORY VENDOR LIST

- A. 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 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 s. 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list. Questions regarding the convicted vendor list may be

directed to the Florida Department of Management Services, Office of Supplier Diversity, at (850) 487-0915 or www.dms.myflorida.gov.

- B. An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity. The Florida Department of Management Services is responsible for maintaining the discriminatory vendor list and posts the list on its website. Questions regarding the discriminatory vendor list may be directed to the Florida Department of Management Services, Office of Supplier Diversity, at (850) 487-0915 or www.dms.myflorida.gov.

SECTION 16 – ACCESS TO RECORDS

- A. The Auditor shall maintain books, records and documents directly pertinent to performance under this contract in accordance with generally accepted accounting principles consistently applied. The District, the State, auditor general or their authorized representatives shall have access to such records for audit purposes during the term of this contract and for five (5) years following contract completion. In the event an examination or audit is performed that exceeds this timeframe, Auditor must continue to maintain all required records until such audit has been completed and all questions arising from it are resolved.
- B. This contract may be unilaterally canceled by the District for unlawful refusal by the Auditor to allow public access to all documents, papers, letters, or other material made or received by the Auditor in conjunction with this contract and subject to disclosure under Chapter 119, Florida Statutes, and Section 24(a), Article I, Florida Constitution.
- C. The District shall provide the Auditor, without cost and upon request, with access to and copies of any and all information, documentation, photograph, files, reports, evaluations, drafts, letters, papers, computer print-outs, contracts, agreements, conveyances, publications, resolutions, budgets, budget materials, records, minutes, agendas, correspondence, notices, memorandums, policies, and any and all other writings or written materials in the possession, custody or control of the District, regardless of whether such materials are classified as "confidential", or otherwise classified to exclude the same from being a public record.
- D. If the Auditor meets the definition of "Contractor" found in Section 119.0701(1)(a), F.S., [i.e. an individual, partnership, corporation, or business entity that enters into a contract for services with a public agency and is acting on behalf of the public agency], then the following requirements apply:
1. A request to inspect or copy public records relating to this contract for services must be made directly to the District. If this District does not possess the requested records, the Contractor must provide the records to the District or allow the records to be inspected or copied within a reasonable time. If the Contractor fails to provide the public records to the District within a reasonable time, the Contractor may be subject to penalties under s. 119, F.S. or as otherwise provided by law.

2. Upon request from the District's custodian of public records, the Contractor shall provide the District with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 199, F.S., or as otherwise provided by law. All records that are stored electronically must be provided to the District in a format that is compatible with current information systems.
3. The Contractor shall identify and ensure that all public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the Contractor does not transfer the records to the District.
4. Upon completion of the Agreement, the Contractor shall transfer, at no cost to the District, all public records in possession of Contractor or keep and maintain public records required by the District to perform the services under this Agreement. If the Contractor transfers all public records to the District, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public record disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Agreement, the Contractor shall meet all applicable requirements for retaining public records.

E. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, OR TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE DISTRICT'S CUSTODIAN OF PUBLIC RECORDS by telephone at (850) 539-5999; by email at ombudsman@nwfwater.com; or by mail at Northwest Florida Water Management District, 81 Water Management Drive, Havana, FL 32333.

SECTION 17 – AGENCY INSPECTORS GENERAL

- A. The Auditor understands and shall comply with section 20.055(5), F.S., which states: It is the duty of every state officer, employee, agency, special district, board, commission, contractor and subcontractor to cooperate with an inspector general in any investigation, audit, inspection, review, or hearing pursuant to this section.

SECTION 18 – REMEDIES

- A. In accordance with 287.058(1)(h), F.S., the District will apply financial consequences for nonperformance. Both parties agree to finalize financial consequences that are to be applied to incomplete deliverables prior to commencement of the Statement of Work.
- B. Cumulative Remedies. The rights and remedies of the District in this Section are in addition to any other rights and remedies provided by law or under this contract.

SECTION 19 – EXECUTION OF COUNTERPARTS

A. This contract may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

IN WITNESS THEREOF, the District and the Auditor have executed this contract as of the last date below written.

Northwest Florida Water Management District
Havana, Florida

(AUDITOR)
(CITY, STATE)

By: _____

Brett J. Cyphers
Executive Director

By: _____

(NAME)
(TITLE)

Date: _____

Date: _____