

CITY OF KEY WEST



REQUEST FOR PROPOSALS

RFP # 23-003

FOR

INDEPENDENT AUDITING SERVICES

Mayor: Teri Johnston

Commissioners:

Mary Lou Hoover
Clayton Lopez
Jimmy Weekley

Sam Kaufman
Billy Wardlow
Lissette Carey



REQUEST FOR PROPOSALS
CITY OF KEY WEST - PURCHASING OFFICE
1300 White Street, Key West, Florida 33040

Solicitation Data

Request Number: RFP 23-003

Title: Independent Auditing Services

Description: The City of Key West is requesting proposals from experienced and qualified Certified Public Accounting firms to express an opinion on the fair representation of its financial statements for Fiscal Years 2023 through 2027.

Contact: Jessica Durocher, Central Purchasing Agent
Phone: (305) 809-3823
Email: jdurocher@cityofkeywest-fl.gov

Issue Date: October 17, 2023

Mail or Deliver Responses To: City Clerk
City of Key West
1300 White Street
Key West, FL 33040

Clarification Submittal Deadline: October 24, 2023, 3 P.M. LOCAL TIME

Responses Deadline Date: November 2, 2023, 3 P.M. LOCAL TIME

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City of Key West

Request for Proposals

Independent Auditing Services

RFP No. 23-003

NOTICE: Pursuant to Sec. 2-770 of the City's Code of Ordinance, sealed bids for consideration to provide the services detailed in the scope of services listed below, shall be received until **3:00 P.M. on November 2, 2023**. The submittals shall be clearly marked "**RFP No. 23-003 – Independent Auditing Services**".

All submittals shall be publicly opened and recorded on November 2, 2023, at 3:00 P.M.** Late submittals shall **not** be accepted or considered.

Please submit one (1) original and (2) two flash drives with one single PDF file of the entire proposal package on each flash drive. Proposal packages are to be enclosed in sealed envelopes, clearly marked on the outside "**SEALED PROPOSAL FOR RFP No. 23-003 INDEPENDENT AUDITING SERVICES**" addressed and delivered to the City Clerk at the address noted above.

Solicitations may be found via the City of Key West website (www.cityofkeywest-fl.gov) under Finance and via [Onvia DemandStar](#), central notification systems which provide bid notification services to interested vendors. To obtain the solicitation, interested parties must follow the link and register to be able to download the document.

The City of Key West reserves the right to accept any bid deemed to be in the best interest of the City or to waive any informality in any submittal. The City may reject any or all bids and re-advertise.

PROJECT OVERVIEW

By way of this RFP, the City is soliciting Proposals from qualified and interested parties for the provision of Independent Auditing Services. Through the process described herein, persons and/or firms interested in assisting the City with the provision of the Services must prepare and submit a Proposal in accordance with the procedure and schedule in this RFP. The City will review submittals only from those persons and/or firms that submit a Proposal that includes all the information required to be included as described herein (in the sole judgment of the City).

The City intends to use the Proposals submitted in response to this RFP to rank order the Proposers according to the most qualified and to then initiate contract negotiations with the top ranked Proposer. The City, on an as needed basis, may periodically issue additional specific projects and assignments to the selected Proposer. The selected Proposer shall demonstrate specific experience and capabilities and must have personnel qualified through education and experience in the specified disciplines.

All inquiries must reference **RFP No. 23-003 – Independent Auditing Services** in the subject line and should be directed to the following email at jdurocher@cityofkeywest-fl.gov. No phone calls will be accepted in reference to this solicitation. Any communications regarding matters of clarification must be made in writing to the email address listed above. If it becomes necessary to provide additional clarifying data or information that revises any part of this RFP, supplements or revisions will be made available via written addendum.

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

Cut-off Date for Questions: **October 24, 2023, at 3:00 P.M.**

Deadline for Submittals and Opening of Proposals: **November 2, 2023, at 3:00 P.M.**

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

SECTION 1 GENERAL TERMS AND CONDITIONS

1.1 DEFINITIONS

(i) We/Us/Our/City

These terms refer to the City of Key West, Florida, a Florida municipal corporation. They may also be used as pronouns for various subsets of the City organization as content will indicate.

Finance-Division

The Division responsible for handling procurement related issues within the City.

Departments

The City Department(s) and offices for which this solicitation is prepared, which will be the end user of the goods and/or services sought, including, without limitation.

Authorized Representative

The user Department's contacts for interaction regarding contract administration.

(ii) You/Your

The term refers to the person(s) or entity(ies) submitting a proposal in response to this RFP, inclusive of corresponding subsidiaries, affiliates offices, employees, volunteers, representatives, agents or subcontractors. The term may apply differently to different classes of entities, as the context will indicate. For instance, "you" as a Proposer will have different obligations than "you" as a Successful Proposer will have upon awarding of this contract.

Proposer/Contractor/Submitter

Any person(s) and/or business entity(ies) submitting a response to this solicitation.

Successful Proposer/ Contractor/Submitter

The Proposer whose Proposal to this solicitation is deemed to be the most advantageous to the City. A Proposer will be approved for award by the City Commission, and a contract will be executed for the provisions of the goods and/or services specified in this RFQ.

(iii) Proposals/ Submittals

The written, sealed document submitted by the Proposer in response to this RFP. Any verbal interactions with the City apart from submittal of a formal written submittal shall not be considered a part of any submittal.

1.2 CLARIFICATION/ QUESTIONS

The City reserves the right to request clarification on information submitted by any Proposer after the deadline for

receipt of submittals. Questions from potential and/or actual respondents regarding this RFP shall be directed in writing by email, to the Procurement Contact email address specified on the title page.

Answers, citing the question but not identifying the questioner, will be publicly noticed, and distributed simultaneously to all known prospective Proposers.

(i) Written Addenda

If it becomes evident that this RFP must be amended, we will issue a formal written addendum to all registered prospective Proposers via Demand Star. Addendum will be uploaded to Demand Star, available via link on the City's webpage. If necessary, a new RFP opening date may be established by addendum.

1.3 COST OF PREPARATION

The City will not be responsible for any expenses incurred by Proposers for the preparation of a Proposal related to this procurement, or for any negotiations related to potential award of the Contract.

1.4 EXAMINATION OF DOCUMENTS

The Proposer must thoroughly examine each section of this RFP. If there is any doubt or obscurity as to the meaning of any part of these conditions, the Proposer may request clarification by written request to the Procurement Contact. Interpretations or clarification in response to such questions will be issued in the form of a written addendum, emailed to all parties recorded by the City's Finance Division as having received the RFP documents. No person is authorized to give oral interpretations of or make oral changes to the RFP. The issuance of a written addendum shall be the only official method whereby such an interpretation or clarification is made.

1.5 PUBLIC RECORDS

Upon award recommendation or thirty (30) days after the RFP opening, whichever is earlier, any material submitted in response to this RFP will become a "Public Record" and shall be subject to public disclosure pursuant to Chapter 119, Florida Statutes (Public Records Law). Proposers must claim the applicable statutory exemptions to protect submittals, stating the reasons why exclusion from public disclosure is necessary and legal. The City reserves the right to make any final determination on the applicability of the Public Records Law.

1.6 WITHDRAWAL OF PROPOSAL

A Proposer may, without prejudice, withdraw, modify, or correct the Proposal after it has been deposited with the City, provided the request and any subsequent modifications and/or corrections are filed with the City in writing before the time for opening the submittals. No oral modifications will be considered.

1.7 RIGHT TO REJECT

The City reserves the right to reject any and/or all submittals or sections thereof, and/or waive any irregularities, informalities, and/or technical deficiencies. The City shall not be required to accept the minimum specifications stated herein or provided but reserves the right to accept any submittal that, in the judgment of the City, will best serve the needs and interests of the City. The offering of this RFP does not, itself, in any way constitute a contractual agreement between the City of Key West and any Proposer. However, the contents of the offered document, as well as the proposed documents may be used for details of the actual agreement between the Proposer and the City of Key West. Furthermore, the City reserves the right to award without further discussion.

1.8 GOVERNMENTAL RESTRICTIONS

In the event that any governmental restrictions are imposed which would necessitate alteration of the performance to the services offered in this Proposal prior to delivery, it shall be the responsibility of the Proposer to notify the City at once. The City reserves the right to accept the alteration or cancel the Contract at no expense to the City.

1.9 SUBMISSION OF PROPOSAL

(i) Incurred Expenses

The City is not responsible for any expenses which Proposers may incur for preparing and submitting Proposals called for in this RFP.

(ii) Interviews

The City reserves the right to conduct personal interviews or require presentations prior to selection. The City will not be liable for any costs whatsoever incurred by the Proposer in connection with such interviews/presentations, including, but not limited to travel and accommodations.

(iii) Request for Modifications

The City reserves the right to request that the Proposers(s) modify a submittal to more fully meet the needs of the City.

(iv) Bid Acknowledgment

By submitting a Proposal, the Proposer/Proposer certifies that he/she/it has fully read and understood the solicitation method and has full knowledge of the scope, nature, and quality of work to be performed.

(v) Acceptance/Rejection/Modification To Submittals

The City reserves the right to negotiate modifications to this RFP that it deems acceptable, reject any and all Proposals for any reason whatsoever, and waive minor irregularities in any submittal.

(vi) Submittals Binding

All Proposals submitted shall be binding for three hundred sixty-five (365) calendar days following opening.

(vii) Alternate Proposals/ Statement/ Proposals

Alternate Proposals and/or statements will not be considered or accepted by the City.

(viii) Economy of Preparation

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposers' ability to fulfill the requirements of the Proposal.

(ix) Proprietary Information

In accordance with Chapter 119 of the Florida Statutes (Public Records Law) and except as may be provided by other applicable State and Federal Law, all Proposers should be aware that RFP and the corresponding responses are in the public domain and subject to disclosure. However, the Proposers are required to identify with specificity any information contained in their Proposals which are considered confidential and/or proprietary and which are believed to be exempt from disclosure, citing the applicable exempting law.

All Proposals received from Proposers in response to this RFP shall become the property of the City of Key West and shall not be returned to the Proposer. In the event of contract award, all documentation produced as part of the contract will become the exclusive property of the City.

1.10 COMPLIANCE WITH ORDERS AND LAWS

Successful Proposers shall comply with all local, state, and federal directives, ordinances, rules, orders, and laws as applicable to this RFP and subsequent contracting including, but not limited to:

Executive Order 11246 (which prohibits discrimination against any employee, applicant, or client because of race, creed, color, national origin, sex, or age with regard to, but not limited to, employment practices, rate of pay or other compensation methods, and training.)

Occupational, Safety and Health Act (OSHA)

The State of Florida Statutes Section 287.133(3)(A) on Public Entity Crimes

Environment Protection Agency (EPA)

Uniform Commercial Code (FL Statutes, Chapter 672)

American with Disabilities Act of 1990, as amended.

National Institute of Occupational Safety Hazards (NIOSH)

National Forest Products Association (NFPA)

State of Florida Department of Transportation- Rule 14-90, Florida Admin. Code

U.S. Department of Transportation

**City of Key West, City Ordinance Sec 2-766-2-845
Cone of Silence, City of Key West Code of Ordinances**

The State of Florida Statutes Sections 218.73 and 218.74 on Prompt Payment

Proposer hereby recognizes and certifies that no elected official, board member, or employee of the City shall have a financial interest directly or indirectly in this transaction or any compensation to be paid under or through this transaction, and further, that no City employee, nor any elected or appointed officer, including, but not limited to, City Commission members, of the City, nor any spouse, parent or child of such employee or elected or appointed officer of the City, may be a partner, officer, director or proprietor of Proposer or Proposer, and further, that no such City employee or elected or appointed officer, or the spouse, parent or child of any of them, alone or in combination, may have a material interest in the Vendor or Proposer. Material interest means direct or indirect ownership of more than 5% of the total assets or capital stock of the Proposer. Any exception to these above-described restrictions must be expressly provided by applicable law or ordinance and be confirmed in writing by City. Further, Proposer recognizes that with respect to this transaction, if any Proposer violates or is a party to a violation of the ethics ordinances or rules of the City, or the provisions of Chapter 112, part III, Fla. Stat., the Code of Ethics for Public Officers and Employees, such Proposer may be disqualified from furnishing the goods or services for which the Proposal is submitted and may be further disqualified from submitting any future Proposals for goods or services to City. The term "Proposer," as used in this section specifically includes any person or entity making and submitting a Proposal to the City for the provision of goods and/or services to City.

Lack of knowledge by the Proposer will in no way be a cause for relief from responsibility. Non-compliance with all local, state, and federal directives, orders, and laws may be considered grounds for termination of contract(s).

1.11 CONE OF SILENCE

Notwithstanding any other provision in the specifications, the provisions of Section 2-773 Cone of Silence, 2-289 Conflict of

Interest and 4.10 Disclosure of Financial Interest by Officers and Employees are applicable to this transaction.

The Cone of Silence shall be imposed on this RFP upon its advertisement. The Cone of Silence prohibits the following activities:

- (1) Any communication regarding this RFP between a potential vendor, service provider, Respondent, lobbyist or consultant and the City's professional staff;
- (2) Any communication regarding this RFP between the Mayor, Commission members and any member of the Mayor and Commission's professional staff;
- (3) Any communication regarding this RFP between potential vendor, service provider, Respondent, lobbyist or consultant and any member of a selection committee;
- (4) Any communication regarding this RFP between the Mayor, Commission members and any member of the selection committee therefore;
- (5) Any communication regarding this RFP between any member of the City's professional staff and any member of the selection committee; and
- (6) Any communication regarding this RFP between a potential vendor, service provider, Respondent, lobbyist or consultant and the Mayor or Commission.

Pursuant to Section 2-773 (d)(2), the Cone of Silence shall terminate at the time the City Commission or other authorized body makes final award or gives final approval of a contract, rejects all bids or responses to the competitive solicitation, or takes other action which ends the competitive solicitation. Or, at the deadline for submission of responses to the solicitation, if only one vendor has responded.

The Cone of Silence shall not apply to:

- (1) oral communications at pre-proposal meetings and/or conferences;
- (2) oral presentations before selection of evaluation committees;
- (3) public presentations made to the City Commission during any duly noticed public meeting;
- (4) written communications regarding a particular RFP, RFQ, or proposal between a potential vendor, service provider, Respondent, proposer, lobbyist or consultant and the City's Purchasing Agent or City employee designated responsible for administering the procurement process of such RFP, RFQ, or proposal, provided the communication is limited strictly to matters of process or procedure already contained in the corresponding solicitation document;
- (5) communications with the City Attorney and his or her staff;

- (6) duly noticed site visits to determine the competency of respondents/Respondents regarding a particular proposal/Proposal during the time period between the opening of proposals and the time the City Manager makes his or her written recommendation;
- (7) any emergency procurement of goods or services pursuant to City Code;
- (8) responses to the City's request for clarification or additional information pursuant to section 1.10 of this RFP;
- (9) contract negotiations during any duly noticed public meeting;
- (10) communications to enable City staff to seek and obtain industry comment or perform market research, provided all communications related thereto between a potential vendor, service provider, Respondent, Proposer, lobbyist, or consultant and any member of the City's professional staff including, but not limited to, the City Manager and his or her staff are in writing or are made at a duly noticed public meeting.

Violation of the Cone of Silence by a particular Proposer or Respondent shall render the RFP award or proposal award to said Proposer or Respondent voidable by the City Commission and/or City Manager. Please contact the City Attorney for any questions regarding Cone of Silence compliance.

1.12 SUNSHINE LAW

As a Florida municipal corporation, the City is subject to the Florida Sunshine Act and Public Records Law. By submitting a Proposal, Proposer acknowledges that the materials submitted with the Proposal and the results of the City of Key West evaluations are open to public inspection upon proper request. Proposer should take special note of this as it relates to proprietary information that might be included in its Proposal.

1.13 CANCELLATION

In the event any of the provisions of this RFP are violated by the Awarded Proposer, the City Manager shall give written notice to the Awarded Proposer stating the deficiencies and, unless deficiencies are corrected within ten (10) days, recommendation will be made to the City Commission for immediate cancellation. The City reserves the right to terminate any contract resulting from this invitation at any time and for any reason, upon giving thirty (30) days prior written notice to the other party. No consideration will be given for anticipated loss of revenue on the canceled portion of the Contract.

1.14 ASSIGNMENT

The Awarded Proposer shall not assign, transfer, convey, sublet or otherwise dispose of this contract, including any or

all of its right, title or interest therein, or his or its power to execute such contract to any person, company or corporation without prior written consent of the City of Key West.

1.15 PROPERTY

Property owned by the City of Key West is the responsibility of the City of Key West. Such property furnished for repair, modification, study, etc., shall remain the property of the City of Key West. Damages to such property occurring while in the possession of the Awarded Proposer shall be the responsibility of the Awarded Proposer.

1.16 TERMINATION FOR DEFAULT

If the Awarded Proposer defaults in its performance under this Contract and does not cure the default within thirty (30) days after written notice of default, the City may terminate this Contract, in whole or in part, upon written notice without penalty to the City. In such event, the Awarded Proposer shall be liable for damages, including, but not limited to, the excess cost of procuring similar supplies or services: provided that if, (1) it is determined for any reason that the Awarded Proposer was not in default or (2) the Awarded Proposer's failure to perform is without his control, fault or negligence, the termination will be deemed to be a termination for the convenience of the City.

1.17 TERMINATION FOR CONVENIENCE

The City Manager may terminate the Contract that may result from this RFP, in whole or in part, upon thirty (30) days prior written notice when it is in the best interests of the City. If so terminated, the City shall be liable only for payment in accordance with the payment provisions of the Contract for those services rendered prior to termination.

1.18 ANTI-TRUST PROVISION

At such times, as may serve its best interest, the City reserves the right to advertise for, receive, and award additional contracts for these herein items, and to make use of other competitively proposal (government) contracts for the purchase of these goods and/ or services as may be available.

1.19 PUBLIC RECORDS, AUDIT RIGHTS AND RECORDS RETENTION

The Upon award recommendation or thirty (30) days after the opening of RFP responses, whichever is earlier, any material submitted in response to this Request for Qualifications will become a "Public Record" and shall be subject to public disclosure consistent with Chapter 119, Florida Statutes (Public Record Law). Proposers must claim the applicable exemptions to disclosure provided by law in their response to the Request for Qualifications by identifying materials to be protected and must state the reasons why exclusions from public disclosure is necessary and legal. The City reserves the right to make any final determination on the applicability of the Public

Records Law. The Awarded Proposer agrees to provide access to the City, or any of their duly authorized representatives, to any books, documents, papers, and records of the Awarded Proposer which are directly pertinent to the contract, for the purposes of audit, examination, excerpts, and transcriptions. The Awarded Proposer shall maintain and retain any and all of the aforementioned records after the expiration and/or termination of the agreement, as provided by Chapter 119, Florida Statutes.

1.20 CAPITAL EXPENDITURES

Awarded Proposer understands that any capital expenditures that the Awarded Proposer makes, or prepares to make, in order to perform the services required by the City of Key West, is a business risk which the Awarded Proposer must assume. The City of Key West will not be obligated to reimburse amortized or unamortized capital expenditures, any other expenses, or to maintain the approved status of the Awarded Proposer. If Awarded Proposer has been unable to recoup its capital expenditures during the time it is rendering such services, it shall not have any claim upon the City of Key West.

1.21 GOVERNING LAW AND VENUE

The validity and effect of the Contract shall be governed by the laws of the State of Florida. The parties agree that any administrative or legal action, mediation, or arbitration arising out of this Contract shall take place in Monroe County, Florida.

1.22 ATTORNEY FEES

In connection with any litigation, mediation, or arbitration arising out of this Contract, each party will pay its' attorney's fees.

1.23 NO PARTNERSHIP OR JOINT VENTURE

Nothing contained in this Contract will be deemed or construed to create a partnership or joint venture between the City of Key West and Awarded Proposer/Proposer, or to create any other similar relationship between the parties.

1.24 TERMS AND CONDITIONS OF AGREEMENT

The Agreement to be entered into with the Awarded Proposer, in substantially the form attached hereto as Exhibit "A", shall include, but not be limited to, the following terms and conditions:

- A. The Awarded Proposer agrees to indemnify, defend and hold harmless the City, its officers, elected officials, agents, volunteers and employees, from and against any and all liability, claims, demands, damages, fines, fees, expenses, penalties, suits, proceedings, actions and cost of action, including attorney's fees for trial and on appeal, and of any kind and nature arising or growing out

of or in any way connected with the performance of the Agreement whether by act or omission of the Awarded Proposer, its agents, servants, employees or others, or because of or due to the mere existence of the Agreement between the parties; unless said claim for liability is caused solely by the negligence of the City or its agents or employees.

The Awarded Proposer shall further indemnify, defend and hold harmless the City, its elected officials, its Officers, employees, agents and volunteers (collectively referred as "Indemnitees") against all loss, costs, penalties, fines, damages, claims, expenses, including attorney's fees, or liabilities ("collectively referred to as "liabilities") by reason of any injury to, or death of any person, or damage to, or destruction, or loss of any property arising out of, resulting from, or in connection with the performance, or non-performance of the services contemplated by this agreement which is, or is alleged to be directly, or indirectly caused, in whole, or in part by any act of omission, default, or negligence of the Awarded Proposer, its employees, agents, or sub-contractors.

- B. The Awarded Proposer shall pay all royalties and assume all costs arising from the use of any invention, design, process materials, equipment, product, or device which is the subject of patent rights or copyrights. Awarded Proposer shall, at its own expense, hold harmless and defend the City against any claim, suit or proceeding brought against the City, which is based upon a claim, whether rightful or otherwise, that the goods or services, or any part thereof, furnished under the contract, constitute an infringement of any patent or copyright of the United States. The Awarded Proposer shall pay all damages and costs awarded against the City.
- C. An understanding and agreement, by and between the Awarded Proposer and the City, that the completion time as specified in Awarded Proposer's submission will be met and that all work shall be executed regularly, diligently, and uninterrupted at such rate of progress as will ensure full completion thereof within the time specified.

1.25 EQUAL BENEFITS FOR DOMESTIC PARTNERS FOR PROCURED PROJECTS

Awarded Proposer will be required to comply with Ordinance Sec 2-799 –Provide Equal Benefits for Domestic Partners.

1.26 LIMITATION ON USE OF OFFICIAL SEAL

It shall be unlawful and a violation of this section for any person, firm, corporation or other legal entity to print for the purpose of sale or distribution or circulate, manufacture, publish, use, display, or offer for sale any letters, papers, documents, or items of merchandise which

simulate the official seal of the City or the stationery or a real or fictitious agency, department or instrumentality of the city without the expressed written authority of the City Commission or its designee. The unauthorized use shall be punishable as provided in F.S. §§ 775.082 and 775.083.

END OF SECTION 1

SECTION 2

SPECIAL CONDITIONS

2.1 PURPOSE

The purpose of this solicitation is to establish a contract with a qualified contractor who will provide Independent Auditing Services to the City of Key West. These services include providing an annual examination of the financial statements and records of the City. Audits shall be conducted for the purpose of forming an opinion of the basic financial statements taken as a whole and determine whether operations were conducted in accordance with legal and regulatory requirements.

The auditor shall also be responsible for performing certain limited procedures involving required Management's Discussion and Analysis ("MD&A") and supplementary information required by the Governmental Accounting Standards Board (GASB) as mandated by Generally Accepted Government Auditing Standards in the United States of America.

The auditor shall perform a study and evaluation of internal accounting and administrative controls as required by Generally Accepted Government Auditing Standards. If weaknesses are noted, recommendations should be reviewed with the appropriate level of management and included in a Management Letter, Section 218.39 (4), Florida Statutes.

Financial statements for the General Employees', Police Officers', and Firefighters' Pension Plans are audited by other auditors; therefore, the auditors engaged as a result of this request for proposal shall not be required to audit those financial statements but shall base their opinion on the report of other auditors.

2.2 QUALIFICATIONS / EXPERIENCE OF PROPOSERS

All firms that submit a proposal shall meet, but not be limited to, the following minimum qualifications:

- 2.2.1 The firm, or principals of the firm, shall be regularly engaged in the business of providing the services as described herein. The firm shall have performed continuous certified public accounting (CPA) services for a minimum of five (5) years and a record of performance and operation. The firm shall have sufficient financial support, equipment, and organization to ensure that they can satisfactorily execute the services if awarded a Contract under the terms and

conditions herein stated. There shall not be any pending criminal charges against the firm, principal owners, partners, corporate officers, or management employees. The term "equipment and organization" as used herein shall be construed to mean a fully equipped and well-established operation as determined by officials of the City of Key West.

2.2.2 Proposers shall be fully licensed in the state of Florida to perform the work described herein and shall comply with all applicable State Statutes and local codes and ordinances.

2.2.3 Proposers must have successfully completed entity wide financial audits of at least five (5) municipal governmental entities. These audits shall have been of similar complexity to the technical specifications and scope, as an independent external financial auditor to a municipality or other governmental organization in this Request for Proposal. This experience shall be reflected in the proposal along with contact names and telephone numbers for those municipalities. Each respondent shall meet all legal, technical, and professional requirements for expressing an audit opinion on the annual financial statements of the City of Key West.

2.2.4 Proposers shall submit written documentation such as letters of reference and a list of clients who are public entities, as evidence that they meet the requirement stated above. Letters of reference should not be older than three (3) years.

2.2.5 Proposers must be a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants.

2.2.6 The assigned professional personnel of the Proposer must have received adequate continuing professional education as stipulated by Government Auditing Standards issued by the Comptroller General of the United States.

2.2.7 The proposer is independent of the City of Key West, as defined by generally accepted auditing standards and Government Auditing Standards.

2.2.8 The Proposer must submit a copy of the two (2) most recent external quality control review reports and letters of comment, along with a statement indicating whether the reviews included a review of specific governmental engagements.

2.2.9 The Proposer shall provide, by way of example but not limitation, demonstration of ability of personnel through resumes of audit team members to be assigned and organizational charts. Related experience shall be restricted to those assignments undertaken within the last five (5) years; please list experience with government agencies. Describe experience of personnel.

2.2.10 The manager and senior auditor must have experience auditing one or more similar governments, specifically as to size and services provided, where all applicable Governmental Accounting Standards Board Statements have been implemented.

2.2.11 The manager and senior auditor must have experience performing a Single Audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996, the provisions of OMB Circular A-133, Audits of State and Local Governments, and the Rules of the Auditor General of the State of Florida.

2.2.12 In order to meet the requirements of the RFP, the audit must be performed in accordance with the following standards:

- Generally Accepted Auditing Standards as issued by the American Institute of Certified Public Accountants (AICPA) and the examination must be made in accordance with the guidelines prepared by the Government Finance Officers Association in order for the City to apply for the Certificate of Achievement for Financial Excellence in Financial Reporting.
- Government Auditing Standards as issued by the Comptroller General of the United States
- Rules of the Auditor General for the State of Florida Chapter 10.550 relating to Section 11.45 of the Florida Statutes
- Florida Single Audit Act as Amended
- Florida Single Audit Act, Section 215.97 and Section 218.39 Florida Statutes, As Amended
- OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations and/or Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)

- Rules of the Florida Department of Financial Services
- Section 218.39. Florida Statutes and any other applicable Florida Statutes

Any updates of, or amendments to, these described auditing standards or applicable laws are to be incorporated in future audits performed by the selected auditor performing auditing engagements for the City in future fiscal years. Proposed fees must incorporate all required audit procedures, relative to all regulations in effect, and issued, as of the date of the closing of this Request for Proposals, to include all GASBs issued to date.

Proposers shall satisfy each of the requirements cited above. Each of these minimum requirements must be addressed in detail in its submittal to determine Proposer's responsiveness. Failure to meet each of the requirements, and/or failure to provide sufficient detail and/or documentation in its submittal to determine responsiveness by the City, will result in the submittal being deemed non-responsive.

2.3 LICENSING

Pursuant to section 607.1503(1), Florida Statutes, Corporations, out-of-state corporations are required to obtain a Florida Certificate of Authorization from the Florida Department of State, Division of Corporations, to transact business in the State of Florida. Successful respondent must provide a copy of their occupational/business license and State registration at time of award. Florida state registration can be downloaded and printed via www.sunbiz.org. Respondents must have the proper license(s) and/or certification(s) to perform what is being requested in this project. Failure to possess the proper license(s) and/or certification(s) may result in disqualification of proposal submittal. Copies of the respondent's license(s) and/or certification(s) which are applicable to this project shall be submitted as part of their proposal submittal.

2.4 EXECUTION AND TERM OF CONTRACT

The City and the Awarded Proposer shall execute a contract ("Agreement") within thirty (30) days after Notification of Award based upon the requirements set forth in the RFP through action taken by the City Commission at a fully authorized meeting. If the Proposer awarded the Contract fails to enter into a contract as herein provided, the award may be declared null and void, and the Contract may be awarded to the next most responsible and responsive Proposer, or re-advertised, as determined by the City.

The initial contract resulting from this solicitation shall prevail for a five (5) year period from the contract's initial effective date. Prior to, or upon completion, of that initial term, the City shall have the option to renew the contract for one (1) additional two (2) year period for a maximum total of seven (7) years. The Awarded Proposer(s) shall maintain, for the entirety of the stated additional period, the same terms and conditions included within the originally awarded

contract. Continuation of the contract beyond the initial period, and any option subsequently exercised, is a City choice, and not a right of the Awarded Proposer(s).

The contract extension may be exercised only when such continuation is clearly in the best interest of the City.

2.5 PROPOSAL FORMAT AND SIGNATURES

To receive consideration, the Proposal must be submitted as provided by the City. This Request for Proposals must be resubmitted in its entirety, with all forms executed, each section signed as read and understood, and the response forms completely filled out. Proposals must be typed or printed in black or blue ink only. Use of erasable ink is not permitted. All corrections must be initialed. Proposals by corporations must be executed in the corporate name by the President or other corporate officer accompanied by evidence of authority to sign. The corporate address and state of incorporation must be shown below the signature.

Proposals by partnerships must be executed in the Partnership name and signed by a partner, whose title must appear under the signature and the official address of the partnership must be shown below the signature.

2.6 METHOD OF AWARD

The City will open all submittals received prior to the stated deadline in a public forum and will announce the name of the Proposers. In order to be deemed responsive the Proposals must meet or exceed the minimum requirements established in Section 2.2 and contain all required forms listed and provided in Section 4 of this solicitation. The City of Key West shall be the sole judge in determining Proposer's qualifications.

The City anticipates awarding one contract but reserves the right to award more than one if in its best interests to do so.

The Proposer understands that this RFP does not constitute an offer or a contract with the City. A contract shall not be deemed to exist and is not binding until Proposals are reviewed and accepted by the Audit Selection Committee, the best Proposal has been identified, negotiations with the firm/individual has been authorized by the appropriate level of authority within the City, an agreement has been executed by parties and approved by the appropriate level of authority within the City.

The City, at its sole discretion, reserves the right to inspect any/all Proposer's facilities to determine their capability of meeting the requirements for the Contract. Also, hourly rates, responsibility, and responsiveness of the Proposer, the financial position, experience, staffing, equipment, materials, references, and past history of service to the City and/or with other units of

state, and/or local governments in Florida, or comparable private entities, will be taken into consideration in the Award of the Agreement.

In the event the parties are unable to negotiate terms acceptable to the City, the City may determine to accept the offer of the next highest ranked firm/individual determined by the Audit Selection Committee, or it may re-solicit Proposals.

The City reserves the right to reject all Proposals, to waive non-material, technical variances, or infirmities in the Proposal, to abandon the project or to solicit and re-advertise for other Proposals. The City may in its discretion waive any informalities and irregularities contained in a Proposal or in the manner of its submittal and award a contract thereafter.

The City's Audit Selection Committee will evaluate proposals and will select the Proposer which meets the best interests of the City. The City shall be the sole judge of its own best interests, the proposals, and the resulting negotiated agreement. The City's decisions will be final. The purpose of the Evaluation Process is to evaluate the Proposals submitted in response to this Request for Proposal and to establish the most advantageous firm/individual, further identified as the No. 1 or highest ranked firm/individual. Each Proposal will be evaluated by each Audit Selection Committee member using the procedures outlined herein.

PHASE I – EVALUATION

In a publicly noticed meeting, an Audit Selection Committee, appointed by the City Commission, will meet to evaluate all responsive submittals received in accordance with the requirements set forth in the solicitation. The City may request additional information of a clarifying nature if deemed necessary for this evaluation. Additional information may be requested via written submissions or oral presentations to the Audit Selection Committee to allow each firm/individual an opportunity to provide the Audit Selection Committee additional insight regarding their proposal and that of the qualifications of the firm/individual.

Each Audit Selection Committee member shall evaluate and award points in accordance with the Scoring Criteria specified for each of the Categories listed below. The points awarded for each Category will be totaled, ranked, and tabulated to determine the top ranked firm/individual to provide the City Commission. Should the number of Proposers exceed three (3), the Audit Selection Committee will provide the City Commission with a ranking of the "shortlisted" firms/individuals.

PHASE II – SELECTION

The Audit Selection Committee will submit their tabulated scores and firm/individual ranking to the City Commission for their consideration to award the contract. The City Commission may accept the ranking recommendations of the Audit Selection Committee and may request firms to give a presentation and/or answer questions, amend rankings, or reject all Proposals. The City

Commission will make the final selection. The City shall not be responsible for any costs of preparation or costs incurred in relation to any opportunities for an interview.

Upon approval of the City Commission, a contract shall be awarded to one or more Proposer selected as the most responsible, responsive Proposer meeting all selection criteria. Any award made shall be subject to execution of contract in a form and substance, which is approved by the City Attorney. The City of Key West reserves the right not to award or to reject Proposals from vendors that are currently in litigation with the City of Key West or as a result of any prior lawsuit with the City of Key West.

EVALUATION CATEGORIES – PHASE I & II

Evaluation Criteria - Proposals will be scored and ranked by the Committee, based on the following criteria and points:

Category	Points
1. Firm Experience and Personnel	40
2. Audit/Technical Approach	30
3. Past Performance - References	20
4. Proposed Price for Work to Be Accomplished	10
Total Points	100

Category Breakdown:

a) Firm Experience and Personnel

- The firm’s demonstrated experience and performance on comparable municipal government engagements, including recognized ACFR awards of their clients.
- The firm’s demonstrated ability to manage tasks simultaneously and expeditiously.
- The quality of the firm’s professional personnel to be assigned to the engagement and the quality of the firm’s management support personnel to be available for technical questions.
- Availability of qualified personnel assigned to the engagement.
- Experience of staff assigned to the engagement regarding similar audits.

b) Audit/Technical Approach

- The firm’s approach to offering services required by this proposal, including schedule and workplan. The workplan should be made using resources of information as the City’s budget and related materials.
- The firm’s approach to gain and document an understanding of the City’s internal control structure.
- The firm’s approach to be taken in determining laws and regulations that will be subject to audit test work.
- The firm’s approach to drawing audit samples for purposes of testing compliance.

- The firm's proposed timeline.
- c) Past Performance – References**
- The firm's references provided for past performance.
- d) Proposed Price for Work to Be Accomplished**
- Proposer's cost proposal will be evaluated on the Total Fee for all Contract Years.

2.7 DUE DATE

All Proposals are due no later than **Thursday, November 2, 2023 at 3:00 P.M. EST**. All Proposals received will be publicly opened on the date and the time specified. All Proposals received after that time shall be returned unopened.

Submittals must include qualifications, experience, and other pertinent information for consideration, as indicated in this Request for Proposal. Any proposals received after the due date and time specified, will not be considered.

Proposals received after the closing time and date, for any reason whatsoever, will not be considered. Any disputes regarding timely receipt of Proposals shall be decided in the favor of the City of Key West. The City of Key West cannot be responsible for Proposals received after opening time and encourages early submittal. Proposals received by the City after the time specified for receipt will not be considered.

All information required by the Request for Proposal must be supplied to constitute a regular submittal.

2.8 INSURANCE REQUIREMENTS

Successful Proposer shall maintain, at their sole expense and during the term of this agreement insurance requirements in accordance to Exhibit A.

The City reserves the right to require additional insurance in order to meet the full value of the scope of services.

At award time, the successful bidder must furnish a Certificate of Insurance and Declaration of Coverage Page showing the City of Key West as additional named insured as required in Exhibit A.

2.9 EXCEPTIONS TO SPECIFICATIONS

Exceptions to the specifications shall be listed on the Proposal. Any exceptions to these Sections may be cause the Proposal to be considered non-responsive.

2.10 INQUIRIES

Any questions regarding this Bid shall be directed in writing to the Procurement Contact via email at jdurocher@cityofkeywest-fl.gov. All inquiries must have in the subject line the following: **RFP No. 23-003 – Independent Auditing Services**. If your request is seeking a public record, such as a bidder list or award list, it must be submitted to the City Clerk and not to the e-mail stated above. Proposers requiring clarification or interpretation of the RFP must submit them via email **on or before 3:00 P.M. on Tuesday, October 24, 2023**. The person or firm submitting the request shall be responsible for its timely delivery. Written responses will be compiled and shall be issued only in addendum format and distributed to all potential Proposers on Demand Star, also available via link on the City’s website.

2.11 ATTACHED FORMS

- 2.11.1 Anti-kickback Affidavit
- 2.11.2 Non-Collusion Affidavit
- 2.11.3 Sworn Statement Pursuant to Section 287.133(3)(A), on Public Entity Crimes
- 2.11.4 Equal Benefits for Domestic Partners Affidavit
- 2.11.5 Cone of Silence Affidavit
- 2.11.6 Vendor Certification Regarding Scrutinized Companies Lists
- 2.11.7 Indemnification Form

The above referenced forms are included in ‘Affidavits/Certifications’ at Section 4 of this solicitation. Please ensure that you read these forms, and all others contained within Section 4 thoroughly, and return them signed and notarized where required. Bids received with incomplete forms may be deemed unresponsive.

2.12 VERIFICATION OF INFORMATION

The City may verify the information submitted by the submitter and may obtain and evaluate additional information, as it deems necessary to ascertain the submitter’s ability to perform under this solicitation. The City shall be sole judge of a submitter’s ability to perform, and its decision shall be final.

2.13 GOODS/ SERVICES MAY BE ADDED OR DELETED

It is hereby agreed and understood that goods or additional services may be added to this Contract at the City’s option. It is also agreed and understood that the City may add or delete goods/services on this Contract at the City’s option. The Awarded Bidder shall be invited to submit price quotes for these additional goods/services. If these quotes are determined to be fair and reasonable, then

the additional goods/services will be awarded to the Awarded Bidder.

2.14 ACCEPTANCE OF PROPOSALS / MINOR IRREGULARITIES

2.14.1 The City reserves the right to accept or reject any or all Proposals, part of Proposals, and to waive minor irregularities or variances to specifications contained in Proposals which do not make the Proposal conditional in nature and minor irregularities in the solicitation process. A minor irregularity shall be a variation from the solicitation that does not affect the price of the contract or does not give a respondent an advantage or benefit not enjoyed by other respondents, does not adversely impact the interests of other firms or, does not affect the fundamental fairness of the solicitation process. The City also reserves the right to reissue a Request for Proposal.

2.14.2 The City reserves the right to disqualify Proposer during any phase of the competitive solicitation process and terminate for cause any resulting contract upon evidence of collusion with intent to defraud or other illegal practices on the part of the Proposer.

2.15 BACKGROUND INFORMATION

The City reserves the right, before awarding the Contract to require a Proposer to submit such evidence of his/her qualifications as it may deem necessary and may consider any evidence available to it as to the financial, technical, and other qualifications and abilities of a Proposer, including past performance (experience) with the City.

2.16 METHOD OF ORDERING

Services shall be ordered via individual purchase order. Invoices must be submitted against each individual purchase order.

2.17 PAYMENT/INVOICES

Payment terms will be considered to be net 45 days after the date of satisfactory delivery at the place of acceptance and receipt of correct invoice at the office specified, whichever occurs last, in accordance with the Florida Local Government Prompt Payment Act. Invoice must reflect sufficient details to demonstrate compliance with the terms and conditions of the contract. After services have been performed, the user department will evaluate services provided in accordance with the specifications. Failure in the awarded Proposer's responsibility as outlined may result in

either one or any of the following as determined by the City:

- Payment withholding of partial or entire amount.
- Compensation as deemed acceptable by the City due to non-performance.

2.18 REFERENCES

As part of the RFP evaluation process, the City may conduct an investigation of references including a record check of consumer affairs complaints. Proposer's submission of an RFP constitutes acknowledgment of the process and consent to investigate. City is the sole judge in determining Proposer's qualifications.

2.19 RELATED EXPENSES/TRAVEL EXPENSES

All costs including travel are to be included in your proposal. The City will not accept any additional costs.

END OF SECTION 2

SECTION 3

SCOPE OF SERVICES

3.1 BACKGROUND

Key West is an island city some 4 miles long by 1.5 miles wide. The island is located at the southern end of U. S. Highway 1, 153 miles southwest of Miami, Florida and 93 miles northwest of Havana, Cuba. Key West is the county seat of Monroe County. The city occupies the entire island as well as a portion of neighboring Stock Island to the northeast. The principal industry is tourism and Commercial/Charterboat fishing. Thus, a large portion of the work force is service industry in addition to governmental agencies and schools. The U. S. Navy and Coast Guard maintain a presence here as well.

The City's 2022 estimated permanent population was 27,040. In addition to the permanent population, the City is a world-renowned tourist destination and a popular location for second homes. The total number of people in Key West on an average day, including permanent residents, seasonal residents, the maritime population, overnight tourists, day-trippers, cruise ship visitors, commuters, and shoppers, is estimated to be over 50,000. This number would spike significantly during special events such as Fantasy Fest or New Year's Eve.

The City operates under the commission-manager form of government with six district Commissioners and one Mayor at large. The City Commission appoints the members of several volunteer boards and commissions who carry out responsibilities specified by State law, the City Charter, and local ordinances. These boards and commissions include the Planning Board, the Historic Preservation Committee, Tree Commission, Special Advisory Committees are also appointed by the City Commission to provide community input on issues and projects as needed. Currently, these boards include, Key West Bight Management District Board, Parks & Recreation Advisory Board, Bahama Village Redevelopment Advisory Committee, Arts in Public Places Advisory Board, Contractors Examining Board and the Environmental Sustainability Board.

The City of Key West has eighteen departments that employ over 526 full and part-time positions with a bi-weekly gross payroll of over \$1,500,000.

Under the direction of the City Manager, the Finance Department is responsible for all financial activity of the City and prepares an annual comprehensive financial report each year. The Government Finance Officers Association (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for 37 consecutive years.

For the fiscal year ending September 30, 2023, the City has a combined original adopted budget of over \$225M, with the General Fund's operating budget accounting for approximately \$82M.

More detailed information on the City and its finances can be found in the City’s Adopted Budget, Annual Comprehensive Financial Report (ACFR) and Code (of Ordinances).

The City uses the following fund types in its financial reporting:

<u>Fund Type</u>	<u>Number of Funds</u>
General	1
Special Revenue	11
Capital Project	2
Enterprise	6
Internal Service	1
Fiduciary	2

Budget are legally adopted for all governmental and proprietary fund types on a basis consistent with generally accepted accounting principles annually in accordance with the City Charter, and expenditures are controlled in accordance with written policies and procedures.

During the prior fiscal year, the City received financial assistance from the following Federal or State agency programs:

- U.S. Department of Health and Human Services
- U.S. Department of Transportation
- Florida Department of Transportation
- Florida Department of Environmental Protection
- Federal Emergency Management Agency – Hazard Mitigation Grant Program

The City participates in the following single-employer defined benefit pension plans:

- General Employees’
- Police and Firefighters’

3.2 SCOPE OF SERVICES

The City of Key West is soliciting proposals for professional external auditing services from a qualified and experienced independent Certified Public Accounting firm to express an opinion on the fair presentation of its financial statements in conformity with accounting principles generally accepted in the United States. This RFP describes Financial Audits as required under Florida States Chapter 11.45, F.S. Chapter 218.39, F.S. Chapter 163.387 (8), the Florida Single Audit Act and the City of Key West Municipal Ordinances and Charter.

- 3.2.1 The auditor will be required to perform an annual examination of the basic financial statements of the City of Key West, Florida, to express opinions on the fairness with which the statements present the financial positions, results of operations, and changes in financial position in conformity with generally accepted accounting principles in The United States.
- 3.2.2 The auditor will be required to perform an annual examination of the financial statements of the City of Key West Community Redevelopment Agency, a component unit of the City of Key West, Florida, to express opinions on the fairness with which the statements present the financial positions, results of operations, and changes in financial position in conformity with generally accepted accounting principles in The United States.
- 3.2.3 The audit shall be an annual audit as defined in Section 11.45(2)(b), Florida Statutes, and shall be conducted in accordance with generally accepted auditing standards.
- 3.2.4 The auditor shall also prepare required management reports and any other reports as may be required. The auditor shall also perform certain limited procedures involving required supplementary information as may be required by Florida State Statutes, the Florida Auditor General, the Governmental Accounting Standards Board, and/or the AICPA, as mandated by accounting principles generally accepted in the United States.
- 3.2.5 The scope of the audit will encompass the additional activities necessary to establish compliance with the Federal Single Audit Act, as amended; United States Office of Management and Budget (OMB) Uniform Grant Guidance "Super Circular"; other applicable Federal laws; and the Florida Single Audit Act. A single audit is required for the City of Key West for each year covered by this contract and requires an opinion from the auditor on the basic financial statements and the reports required from this audit.
- 3.2.6 The audit shall also include a review of the financial report provided to the Department of Financial Services to ensure consistency with the Annual Comprehensive Financial Report.

- 3.2.7 The auditor will be required to perform an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements.
- 3.2.8 The auditor will evaluate the system of internal controls, including the control environment, accounting systems and specific control procedures, to assess the extent to which the controls can be relied upon to ensure accurate information, to ensure compliance with laws and regulations, and to provide for efficient and effective operations. In order to assess the control risk, the proposer is to perform tests of controls and properly document its assessment. Significant deficiencies and material weaknesses shall be communicated in writing in accordance with generally accepted auditing standards.
- 3.2.9 The auditor will be required to perform an examination of any additional financial information necessary to comply with generally accepted auditing standards.
- 3.2.10 The auditor is not required to audit the statistical section of the report; however, the auditor will be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.
- 3.2.11 The scope of the audit is required to include any additional activities necessary to establish compliance with the term “financial audit” as defined and used in Government Auditing Standards.
- 3.2.12 The auditor shall use financial condition assessment procedures to assist in detection of deteriorating financial condition as established under Florida Statutes 218.503. The auditor may use the procedures developed by the Auditor General or appropriate alternative procedures.
- 3.2.13 The auditor will provide consent letters for the use of the audit opinion when the City issues bonds at no additional cost.
- 3.2.14 The work papers are the property of the auditors and shall be held locally for a period of five years. Work papers shall be available for examination or duplication without charge to authorized City of Key West personnel, representatives of

Federal or State Agencies upon request of that Agency or the City in accordance with Federal Law, State Law and other regulations. Working papers will also be made available for examination at no charge to subsequent auditors engaged by the City. The auditor and all sub- contractors obtained by the auditing firm will comply with the public record retention and public records request as per Florida Statute 219.0701

3.2.15 Upon request of the City an electronic copy of the working paper shall be provided to the City at completion of audit.

3.2.16 The auditor shall use City staff in preparation of supporting schedules, reconciliations, and document retrieval. Prior planning and explicit instruction are paramount for timely performance in this regard. The Auditor shall provide the City with a suggested list of all schedules to be prepared and approved by the City. Finance staff will be available during the audit to provide information, documentation, and explanations to the auditors.

3.2.17 The auditors agree to notify the City immediately in writing if any regulatory or other government agencies request a review of the audit work papers concerning the City or any other government client audited by the audit firm.

3.3 REPORTS TO BE ISSUED

Following completion of the audit of the fiscal year's financial statements, the auditor shall compile the financial statements and footnotes based on information provided by the City of Key West and the City of Key West Community Redevelopment Agency (as applicable). In addition, the auditor shall prepare reports as required by adherence to the auditing standards cited in Section 2.2.12 above, including, but limited to:

3.3.1 An Independent Auditor's Report which expresses an opinion on the fair presentation of financial statements in conformity with generally accepted accounting principles.

3.3.2 A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.

3.3.3 A report on compliance and applicable laws and regulations.

3.3.4 A Management Letter as defined by Florida Statutes 218.39, and in accordance with the rules of the Auditor General of the State of Florida.

3.3.5 Reports required by the Federal and State Single Audit Act (as amended) and Office of Management and Budget (OMB) Compliance Supplement to include:

- A report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
- A report on compliance and internal control over compliance applicable to each major federal program and state project.
- An “in-relation-to” report on the Schedule of Expenditures of Federal Awards and State Financial Assistance.
- An opinion on the financial statements and on the supplementary Schedule of Expenditures of Federal Awards and State Financial Assistance.
- A schedule of findings and questioned costs.

3.3.6 Agreed Upon Procedures Report as required by the Florida Department of Transportation for Section 5311 Program Procedures and for Public Transportation Joint Participation Agreements.

3.3.7 Schedule of Revenues and Expenditures for the U.S. Department of Navy (Fund 602). Fiscal year-end report due by January 31st.

3.4 OTHER REQUIREMENTS

3.4.1 The auditor agrees to notify the City in writing immediately should any disciplinary actions be taken, or complaints filed with any regulatory bodies against any of the firm’s staff or the firm itself. Auditor shall be required to make an immediate written report of all irregularities and illegal acts.

3.4.2 The City will send its Annual Comprehensive Financial Report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor(s) will be required to aid the City to meet the

requirements of that program by providing technical advice.

3.4.3 The Schedule of Expenditures of Federal Awards and State Financial Assistance and related auditor's report, as well as the reports on the internal control structure and compliance are to be issued in conjunction with the Annual Comprehensive Financial Report.

3.4.4 The Proposer agrees to provide each year, tuition free to City staff, at least eight (8) hours of accounting and/or auditing education (including access to regional seminars offered or sponsored by Proposer), to assist the City in maintaining the highest level of professionalism and in meeting the Continuing Professional Education requirements.

3.5 ADDITIONAL SERVICES

Any additional services that the City Commission may request and Auditor agrees to provide will be based upon a written request from the Director of Finance. Further, services relating to additional audit or other services may be requested by the Director of Finance on an as-needed basis. The Auditor shall perform such additional auditing or other services as may be agreed to by both parties, at an additional fee, based upon the hourly rates negotiated between the Auditor and City. Any such additional work is subject to availability of budgeted funds.

3.6 SCHEDULE FOR CONDUCTING AUDITS

3.6.1 Audit Plans – The auditor shall provide a detailed audit plan to the City for fiscal year end within one month of the award of this RFP.

3.6.2 Field Work – The auditor shall complete all fieldwork on site in sufficient time to meet guidelines for filing the City's ACFR with the Governmental Finance Officer's Association by March 30 each year. Fieldwork is defined as audit work consisting of data collection, analysis, and compilation of financial information to include examples of financial transactions and completing all associated inquiries required to meet audit objectives. Fieldwork will be completed on-site at Key West City Hall, 1300 White Street, Key West, Florida.

3.6.3 Issuance of Reports and Financial Statement Attestation – The Auditor shall have ready for publication all reports denoted in Section 3.3 of this Request for Proposal no later than March 30 each year.

3.6.4 Entrance Conferences, Progress Reporting, and Exit Conferences – There shall be an entrance conference with key Finance Department personnel no later than the

month of September each year. Progress conferences will be held with key Finance Department personnel throughout the engagement. An exit conference will be held within fourteen (14) days of audit completion with key Finance Department personnel.

3.6.5 Reporting Audit Results to City Commission – The Auditor shall present all reports generated in accordance with the audit annually to the City Commission at a regularly scheduled City Commission meeting.

3.7 PROPOSAL SUBMITTAL INSTRUCTIONS

3.7.1 Response Content

The City requires the Proposer to submit a concise narrative clearly addressing all the requirements outlined in this RFP. Responses must include, at a minimum, the following sections in the order indicated. Total proposal length (not including required forms, addendums, resumes, Sworn Statements, or Affidavits) will not exceed 10 double (20 single) side pages.

A. Cover Page - No more than one page. [included in page limit]

B. Information Page - Include project name, name of vendor submitting the response, name of contact person and contact information for the person who has authority to make representations for the applicant/firm, including name, title, address, telephone and fax numbers and email addresses. [included in page limit]

C. Firm Background - Details on the qualifications of the applicant/firm, including documentation of the applicants' experience with similar work, for local governments during the past ten (10) years. Include firm's size, structure, location of management and charter authorization and licenses to do business in the State of Florida. Also include the firm's national, statewide, and local service capabilities. Individual applicants must demonstrate clear capability of experience, schedule capability and references. Describe the organization, date founded and ownership of your firm. Has the firm experienced a significant change in organizational structure, ownership, or management during the past three years and, if so, please describe. [included in page limit]

1.) Describe any other business affiliations (e.g., subsidiaries, joint ventures, arrangements).

2.) Provide any information on the firm if it has ever been sanctioned,

fined or any other legal or license related action has been taken upon it.

Note: Confidential and Proprietary Information. Trade secrets or proprietary information submitted by an Applicant in connection with this pre-qualification process shall not be subject to the disclosure under Chapter 119, F.S., only whenever such information is specifically excluded in that Chapter or another section of the Florida Statutes. However, pursuant to any statutory requirements, Applicant must invoke the protections of any such section(s) prior to or upon submission of the data or other materials to be protected and state the specific statutory citation and the reasons why protection is necessary. Failure to abide by this procedure may result in disclosure of the Applicant's information.

D. Personnel - Provide details on the qualifications of the applicant's key individual(s) including the project manager who will perform the work, including education, experience and specialized knowledge and expertise. Describe your firm's and project manager's relevant past experience. [included in page limit]

1.) Provide a summary organizational chart showing your team. Identify the primary contact/project manager and describe the roles of each key person.

E. Experience and References - Provide five municipal client references (public references preferred) including client name, contact personnel, address, phone number, length of time you have provided services and a list of any other related services provided. [included in page limit]

1.) Provide at least five (5) examples of your firm's relevant municipal support experience providing support to municipalities (not whole-municipal solutions). Include name of agency, address, project budget, firm's duties under this project, firm's compensation for this project, and completion date.

F. Approach and Methodology

- 1.) Describe your firm's approach/methodology on this project.
- 2.) Describe the type of deliverables you propose to present, and how the firm will communicate effectively with the City?
- 3.) What are the primary strategies employed by your firm for adding value?
- 4.) Briefly describe any additional features, attributes or conditions, which City should consider in selecting your firm.

- G. Price Proposal Form – Please fill out the Price Proposal Form found in Section 4 in its entirety. Values must be provided for all categories and must represent the total cost for each service in Group A. The Total Fee for each audit period includes all out-of-pocket expenses for firm personnel (eg. travel, lodging, copies, etc.).
- H. Sworn Statements and Affidavits – The Proposer shall have signed and returned all forms attached herein as Section 4 (Anti-Kickback, Non-Collusion, Public Entities Crimes, Equal Benefits for Domestic Partners, Cone of Silence, Scrutinized Companies List, Indemnification, Addendum Acknowledgement)

3.7.1.1 Resumes

Qualifications and experience of the individual(s) who will provide the services shall be shown on Resumes. Each resume shall be no more than one page. Members of the selection committee shall be instructed to disregard any information provided on additional pages. The resume portion of the submittal shall not count toward the 20-page limit.

3.8 F.O.B. POINT

Services provided under this contract shall be F.O.B. destination. All costs for transporting equipment, material and/or labor shall be borne by the awarded proposer.

3.9 CONTRACT CANCELLATION

The City of Key West reserves the right to cancel this contract for any reason without cause upon thirty (30) days written notice to Awarded Proposer, and Awarded Proposer reserves the right to cancel this contract for any reason with cause and documentation supporting such on a schedule acceptable to the City and upon one-hundred and twenty (120) days written notice to the City Manager. In the case of cancellation by the Awarded Proposer, reparations must be paid to the City in the amount of 50% of the contract amount.

END OF SECTION 3

SECTION 4

AFFIDAVITS AND CERTIFICATIONS

THE FOLLOWING MATERIALS ARE CONSIDERED ESSENTIAL AND NON-WAIVABLE FOR ANY RESPONSE TO AN INVITATION TO BID.

BIDDERS SHALL SUBMIT THE SUBSEQUENT FORMS.

LIST OF ATTACHED FORMS:

1. Price Proposal Form
2. Anti-kickback Affidavit
3. Non-Collusion Affidavit
4. Sworn Statement Pursuant to Section 287.133(3)(A), on Public Entity Crimes
5. Equal Benefits for Domestic Partners Affidavit
6. Cone of Silence Affidavit
7. Vendor Certification Regarding Scrutinized Companies Lists
8. Indemnification Form

PRICE PROPOSAL FORM

YEAR #	AUDIT PERIOD ENDING	TOTAL PROJECTED HOURS	TOTAL FEE
Initial 5 Year Term			
1	September 30, 2023		\$
2	September 30, 2024		\$
3	September 30, 2025		\$
4	September 30, 2026		\$
5	September 30, 2027		\$
Additional Two-Year Contract Extension			
6	September 30, 2028		\$
7	September 30, 2029		\$

Firm Name _____

ANTI-KICKBACK AFFIDAVIT

STATE OF _____)

: SS

COUNTY OF _____)

I, the undersigned hereby duly sworn, depose and say that no portion of the sum herein bid will be paid to any employees of the City of Key West as a commission, kickback, reward, or gift, directly or indirectly by me or any member of my firm or by an officer of the corporation.

By: _____

Sworn to (or affirmed) and subscribed before me by means of [___] physical presence or [___] online notarization, this day of, 20____, by _____.

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

(Name of Notary Typed, Printed, or Stamped)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

NON-COLLUSION AFFIDAVIT

STATE OF _____)

: SS

COUNTY OF _____)

I, the undersigned hereby declares that the only persons or parties interested in this Proposal are those named herein, that this Proposal is, in all respects, fair and without fraud, that it is made without collusion with any official of the Owner, and that the Proposal is made without any connection or collusion with any person submitting another Proposal on this Contract.

BY: _____

Sworn to (or affirmed) and subscribed before me by means of [___] physical presence or [___] online notarization, this day of, 20____, by _____.

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

(Name of Notary Typed, Printed, or Stamped)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

**SWORN STATEMENT UNDER SECTION 287.133(3)(A)
FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES**

THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid or Proposal for _____

2. This sworn statement is submitted by: _____
(Name of entity submitting sworn statement)

whose business address is: _____

and (if applicable) its Federal Employer Identification Number (FEIN) is: _____

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement)

3. My name is _____
(Please print name of individual signing)

and my relationship to the entity named above is: _____

4. I understand that a “public entity crime” as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including but not limited to, any bid or contract for goods or services to be provided to any public or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, material misrepresentation.

5. I understand that “convicted” or “conviction” as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication guilt, in any federal or state trial court of record relating to charges brought by

indictment information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an “affiliate” as defined in Paragraph 287.133(1)(a), Florida Statutes, means:
1. A predecessor or successor of a person convicted of a public entity crime; or
 2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term “affiliate” includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm’s length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
7. I understand that a “person” as defined in Paragraph 287.133(1)(8), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with public entity. The term “person” includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.
8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement (indicate which statement applies).

_____ Neither the entity submitting this sworn statement, or any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the

management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list (attach a copy of the final order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH ONE (1) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR THE CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

(Signature)

(Date)

STATE OF _____

COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [___] physical presence or [___] online notarization, this day of, 20___, by _____.

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

(Name of Notary Typed, Printed, or Stamped)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

EQUAL BENEFITS FOR DOMESTIC PARTNERS AFFIDAVIT

STATE OF _____)

: SS

COUNTY OF _____)

I, the undersigned hereby duly sworn, depose and say that the firm of _____ provides benefits to domestic partners of its employees on the same basis as it provides benefits to employees' spouses, per City of Key West Code of Ordinances Sec. 2-799.

By: _____

Sworn to (or affirmed) and subscribed before me by means of [___] physical presence or [___] online notarization, this day of, 20____, by _____.

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

(Name of Notary Typed, Printed, or Stamped)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

CONE OF SILENCE AFFIDAVIT

Pursuant to City of Key West Code of Ordinances Section 2-773 (attached below)

STATE OF _____)

: SS

COUNTY OF _____)

I, the undersigned hereby duly sworn, depose and say that all owner(s), partners, officers, directors, employees, and agents representing the firm of _____ have read and understand the limitations and procedures regarding communications concerning City of Key West Code of Ordinances Sec. 2-773 Cone of Silence (attached).

By: _____

Sworn to (or affirmed) and subscribed before me by means of [___] physical presence or [___] online notarization, this day of, 20____, by _____.

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

(Name of Notary Typed, Printed, or Stamped)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

Sec. 2-773. Cone of Silence.

- a. Definitions. For purposes of this section, reference to one gender shall include the other, use of the plural shall include the singular, and use of the singular shall include the plural. The following definitions apply unless the context in which the word or phrase is used requires a different definition:
 - (1) Competitive solicitation means a formal process by the City of Key West relating to the acquisition of goods or services, which process is intended to provide an equal and open opportunity to qualified persons and entities to be selected to provide the goods or services. Competitive solicitation shall include request for proposals ("RFP"), request for qualifications ("RFQ"), request for letters of interest ("RFLI"), invitation to bid ("ITB") or any other advertised solicitation.
 - (2) Cone of silence means a period of time during which there is a prohibition on communication regarding a particular competitive solicitation.
 - (3) Evaluation or selection committee means a group of persons appointed or designated by the city to evaluate, rank, select, or make a recommendation regarding a vendor or the vendor's response to the competitive solicitation. A member of such a committee shall be deemed a city official for the purposes of subsection (c) below.
 - (4) Vendor means a person or entity that has entered into or that desires to enter into a contract with the City of Key West or that seeks an award from the city to provide goods, perform a service, render an opinion or advice, or make a recommendation related to a competitive solicitation for compensation or other consideration.
 - (5) Vendor's representative means an owner, individual, employee, partner, officer, or member of the board of directors of a vendor, or a consultant, lobbyist, or actual or potential subcontractor or sub-consultant who acts at the behest of a vendor in communicating regarding a competitive solicitation.
- b. Prohibited communications. A cone of silence shall be in effect during the course of a competitive solicitation and prohibit:
 - (1) Any communication regarding a particular competitive solicitation between a potential vendor or vendor's representative and the city's administrative staff including, but not limited to, the City Canager and his or her staff;
 - (2) Any communication regarding a particular competitive solicitation between a potential vendor or vendor's representative and the Mayor, City Commissioners, or their respective staff;
 - (3) Any communication regarding a particular competitive solicitation between a potential vendor or vendor's representative and any member of a city evaluation and/or selection committee; therefore, and
 - (4) Any communication regarding a particular competitive solicitation between the Mayor, City Commissioners, or their respective staff, and a member of a city evaluation and/or selection committee, therefore.
- c. Permitted communications. Notwithstanding the foregoing, nothing contained herein shall prohibit:
 - (1) Communication between members of the public who are not vendors or a vendor's representative and any city employee, official or member of the City Commission;
 - (2) Communications in writing at any time with any city employee, official or member of the city commission, unless specifically prohibited by the applicable competitive solicitation. (A) However, any written communication must be filed with the City Clerk. Any city employee, official or member of the City Commission receiving or making any written communication must immediately file it with the City Clerk. (B) The City Clerk shall include all written communication as part of the agenda item when publishing information related to a particular competitive solicitation;

- (3) Oral communications at duly noticed pre-bid conferences;
- (4) Oral presentations before publicly noticed evaluation and/or selection committees;
- (5) Contract discussions during any duly noticed public meeting;
- (6) Public presentations made to the city commission or advisory body thereof during any duly noticed public meeting;
- (7) Contract negotiations with city staff following the award of a competitive solicitation by the City Commission; or
- (8) Purchases exempt from the competitive process pursuant to section 2-797 of these Code of Ordinances;

d. Procedure.

(1) The cone of silence shall be imposed upon each competitive solicitation at the time of public notice of such solicitation as provided by section 2-826 of this Code. Public notice of the cone of silence shall be included in the notice of the competitive solicitation. The city manager shall issue a written notice of the release of each competitive solicitation to the affected departments, with a copy thereof to each commission member, and shall include in any public solicitation for goods and services a statement disclosing the requirements of this ordinance.

(2) The cone of silence shall terminate at the time the city commission or other authorized body makes final award or gives final approval of a contract, rejects all bids or responses to the competitive solicitation or takes other action which ends the competitive solicitation.

(3) Any city employee, official or member of the city commission that is approached concerning a competitive solicitation while the cone of silence is in effect shall notify such individual of the prohibitions contained in this section. While the cone of silence is in effect, any city employee, official or member of the city commission who is the recipient of any oral communication by a potential vendor or vendor's representative in violation of this section shall create a written record of the event. The record shall indicate the date of such communication, the persons with whom such communication occurred, and a general summation of the communication.

e. Violations/penalties and procedures.

(1) A sworn complaint alleging a violation of this ordinance may be filed with the City Attorney's office. In each such instance, an initial investigation shall be performed to determine the existence of a violation. If a violation is found to exist, the penalties and process shall be as provided in section 1-15 of this Code.

(2) In addition to the penalties described herein and otherwise provided by law, a violation of this ordinance shall render the competitive solicitation void at the discretion of the city commission.

(3) Any person who violates a provision of this section shall be prohibited from serving on a City of Key West advisory board, evaluation and/or selection committee.

(4) In addition to any other penalty provided by law, violation of any provision of this ordinance by a City of Key West employee shall subject said employee to disciplinary action up to and including dismissal.

(5) If a vendor is determined to have violated the provisions of this section on two more occasions it shall constitute evidence under City Code section 2- 834 that the vendor is not properly qualified to carry out the obligations or to complete the work contemplated by any new competitive solicitation. The city's purchasing agent shall also commence any available debarment from city work proceeding that may be available upon a finding of two or more violations by a vendor of this section. (Ord. No. 13-11, § 1, 6-18-2013)

VENDOR CERTIFICATION REGARDING
SCRUTINIZED COMPANIES LISTS

Respondent Vendor Name: _____
Vendor FEIN: _____
Vendor's Authorized Representative Name and Title: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone Number: _____
Email Address: _____

Section 287.135(2)(a), Florida Statutes, prohibits a company from bidding on, submitting a proposal for, or entering into or renewing a contract for goods or services of any amount if, at the time of contracting or renewal, the company is on the Scrutinized Companies that Boycott Israel List, created pursuant to section 215.4725, Florida Statutes, or is engaged in a boycott of Israel. Section 287.135(2)(b), Florida Statutes, further prohibits a company from bidding on, submitting a proposal for, or entering into or renewing a contract for goods or services over one million dollars (\$1,000,000) if, at the time of contracting or renewal, the company is on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, both created pursuant to section 215.473, Florida Statutes, or the company is engaged in business operations in Cuba or Syria.

As the person authorized to sign on behalf of Respondent, I hereby certify that the company identified above in the section entitled "Respondent Vendor Name" is not listed on either the Scrutinized Companies that Boycott Israel List, Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List I understand that pursuant to section 287.135, Florida Statutes, the submission of a false certification may subject such company to civil penalties, attorney's fees, and/or costs and termination of the contract at the option of the awarding governmental entity.

Certified By: _____ <div style="display: flex; justify-content: space-around;"><i>Print Name</i><i>Print Title</i></div>
who is authorized to sign on behalf of the above referenced company.
Authorized Signature: _____.

CITY OF KEY WEST INDEMNIFICATION FORM

PROPOSER agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, City's Consultant, agents, servants and employees, including volunteers, from and against any and all claims, debts, demands, expense and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the PROPOSER, its agents, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the City as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, agents, servants and employees. The PROPOSER agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent. The City of Key West does not waive any of its sovereign immunity rights, including but not limited to, those expressed in Section 768.28, Florida Statutes. PROPOSER understands and agrees that any and all liabilities regarding the use of any subcontractor for services related to this agreement shall be borne solely by the PROPOSER. Ten dollars of the consideration paid by the City is acknowledged by PROPOSER as separate, good and sufficient consideration for this indemnification. This indemnification shall be interpreted to comply with Section 725.06 and 725.08, Florida Statutes.

These indemnifications shall survive the term of this agreement. In the event that any action or proceeding is brought against the City of Key West by reason of such claim or demand, PROPOSER shall, upon written notice from the City of Key West, resist and defend such action or proceeding by counsel satisfactory to the City of Key West.

The indemnification provided above shall obligate PROPOSER to defend at its own expense to and through appellate, supplemental or bankruptcy proceeding, or to provide for such defense, at the City of Key West's option, any and all claims of liability and all suits and actions of every name and description covered above which may be brought against the City of Key West whether performed by PROPOSER, or persons employed or utilized by PROPOSER.

The PROPOSER's obligation under this provision shall not be limited in any way by the agreed upon Contract Price as shown in this agreement, or the PROPOSER's limit of or lack of sufficient insurance protection.

[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

COMPANY SEAL

PROPOSER: _____

Address _____

Signature _____

Print Name

Date

_____ Title

NOTARY FOR THE PROPOSER

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me by means [___] physical presence or [___] online notarization, this day of, 20____, by_____.

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

(Name of Notary Typed, Printed, or Stamped)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

END OF SECTION 4

EXHIBIT "A"

MINIMUM INSURANCE REQUIREMENTS

INSURANCE REQUIREMENTS

1.0 GENERAL INSURANCE REQUIREMENTS:

- 1.01 During the Term of the Agreement, the Auditor shall provide, pay for, and maintain with insurance companies satisfactory to the City of Key West, Florida ("City"), the types of insurance described herein.
- 1.02 All insurance shall be from responsible insurance companies eligible to do business in the State of Florida. The required policies of insurance shall be performable in Monroe County, Florida, and shall be construed in accordance with the laws of the State of Florida.
- 1.03 The City shall be specifically included as an additional insured on the Auditor's Liability policies with the exception of the Professional Liability and Worker's Compensation/Employers Liability policies (if required) and shall also provide the "Severability of Interest" provision (a/k/a "Separation of Insured's" provision). The City's additional insured status should be extended to all Completed Operations coverages.
- 1.04 The Auditor shall deliver to the City, prior to commencing work/activities under the Agreement, properly executed "Certificate(s) of Insurance" setting forth the insurance coverage and limits required herein. The Certificates must be signed by the authorized representative of the insurance company(s) shown on the Certificate of Insurance. In addition, certified, true, and exact copies of the insurance policies required herein shall be provided to the City, on a timely basis, if requested by the City.
- 1.05 If the Auditor fails to provide or maintain the insurance coverages required in this Agreement at any time during the Term of the Agreement and if the Auditor refuses or otherwise neglects to deliver the required Certificate(s) of Insurance signed by the authorized representative of the insurance company(s) to the City, the City may, at the City's sole discretion, terminate or suspend this Agreement and seize the amount of Lobbyist's performance bond, letter of credit, or other security acceptable to the City).
- 1.06 The Auditor shall take immediate steps to make up any impairment to any Aggregate Policy Limit upon notification of the impairment. If at any time the City requests a written statement from the insurance company(s) as to any impairment to the Aggregate Limit, the Auditor shall promptly authorize and have delivered such statement to the City.
- 1.07 The Auditor authorizes the City and/or its insurance consultant to confirm all information furnished to the City, as to its compliance with its Bonds and Insurance Requirements, with the Auditor's insurance agents, brokers, surety, and insurance carriers.

- 1.08 All insurance coverage of the Auditor shall be primary to any insurance or self-insurance program carried by the City. The City's insurance or self-insurance programs or coverage shall not be contributory with any insurance required of the Auditor in this Agreement.
- 1.09 The acceptance of delivery to the City of any Certificate of Insurance evidencing the insurance coverage and limits required in the Agreement does not constitute approval or agreement by the City that the insurance requirements in the Agreement have been met or that the insurance policies shown in the Certificates of Insurance are in compliance with the Agreement requirements.
- 1.10 No work/activity under this Agreement shall commence or continue unless and until the required Certificate(s) of Insurance are in effect and the written Notice to Proceed is issued by the City.
- 1.11 The insurance coverage and limits required of the Auditor under this Agreement are designed to meet the minimum requirements of the City. They are not designed as a recommended insurance program for the Auditor. The Auditor alone shall be responsible for the sufficiency of its own insurance program. Should the Auditor have any question concerning its exposures to loss under this Agreement or the possible insurance coverage needed therefore, it should seek professional assistance.
- 1.12 During the Term of this Agreement, the City and its agents and contractors may continue to engage in necessary business activities during the operations of the Auditor. No personal property owned by City used in connection with these business activities shall be considered by the Auditor's insurance company as being in the care, custody, or control of the Auditor.
- 1.13 Should any of the required insurances specified in this Agreement provide for a deductible, self-insured retention, self-insured amount, or any scheme other than a fully insured program, the Lobbyist shall be responsible for all deductibles and self-insured retentions.
- 1.14 All of the required insurance coverages shall be issued as required by law and shall be endorsed, where necessary, to comply with the minimum requirements contained herein.
- 1.15 All policies of insurance required herein shall require that the insurer give the City thirty (30) days advance written notice of any cancellation, intent not to renew any policy and/or any change that will reduce the insurance coverage required in this Agreement, except for the application of the Aggregate Limits Provisions.
- 1.16 Renewal Certificate(s) of Insurance shall be provided to the City at least twenty (20) days prior to expiration of current coverage so that there shall be no termination of the Agreement due to lack of proof of the insurance coverage required of the Auditor.
- 1.17 If the Auditor utilizes contractors or sub-contractors to perform any operations or activities governed by this Agreement, the Auditor will ensure all contractors and sub-contractors to maintain the same types and amounts of insurance required of the Auditor. In addition, the Auditor will ensure that the contractor and sub-contractor insurances comply with all

of the Insurance Requirements specified for the Auditor contained within this Agreement. The Auditor shall obtain Certificates of Insurance comparable to those required of the Auditor from all contractors and sub-contractors. Such Certificates of Insurances shall be presented to the City upon request. Auditor's obligation to ensure that all contractor's and sub-contractor's insurance as provided herein shall not exculpate Auditor from the direct primary responsibility Auditor has to the City hereunder. The City will look directly to Auditor for any such liability hereunder and shall not be obligated to seek recovery from any contractor or subcontract or under such contractor's or sub-contractor's insurance coverages.

2.0 **SPECIFIC INSURANCE COVERAGES AND LIMITS:**

- 2.01 All requirements in this Insurance Section shall be complied with in full by the Auditor unless excused from compliance in writing by the City.
- 2.02 The amounts and types of insurance must conform to the following minimum requirements. Current Insurance Service Office (ISO) or National Council on Compensation Insurance (NCCI) policies, forms, and endorsements or broader shall be used where applicable. Notwithstanding the foregoing, the wording of all policies, forms, and endorsements must be acceptable to the City.

Workers' Compensation and Employers' Liability Insurance shall be maintained in force during the Term of this Agreement for all employees engaged in this work under this Agreement, in accordance with the laws of the State of Florida. The minimum acceptable limits shall be:

Workers' Compensation	Florida Statutory Requirements
Employer's Liability	\$100,000 Limit Each Accident
	\$500,000 Limit Disease Aggregate
	\$100,000 Limit Disease Each Employee

If the Auditor has less than four (4) employees and has elected not to purchase Workers' Compensation/Employers Liability coverage as permitted by *Florida Statutes*, the Auditor will be required to issue a formal letter (on the Auditor's letterhead) stating that it has less than four (4) employees and has elected not to purchase Workers' Compensation/Employers Liability coverage as permitted by *Florida Statutes*. This exception does **not** apply to firms engaged in construction activities.

Commercial General Liability Insurance shall be maintained by the Auditor on a Full Occurrence Form. Coverage shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual for this Agreement, Independent Contractors, and Products & Completed Operations Coverage. The limits of such coverage shall not be less than:

Bodily Injury & \$1,000,000.00 Combined Single Limit each
Property Damage Liability Occurrence and Aggregate

Completed Operations Liability Coverage shall be maintained by the Auditor for a period of not less than four (4) years following expiration or termination of this Agreement.

The use of an Excess, Umbrella and/or Bumbershoot policy shall be acceptable if the level of protection provided by the Excess, Umbrella and/or Bumbershoot policy is equal to or more comprehensive than the Primary Commercial General Liability policy.

Business Automobile Liability Insurance shall be maintained by the Auditor as to ownership, maintenance, use, loading and unloading of all owned, non-owned, leased, or hired vehicles with limits of such coverage of not less than:

Bodily Injury \$500,000.00 Limit Each Accident
Property Damage Liability \$500,000.00 Limit Each Accident

or

Bodily Injury &
Property Damage Liability \$500,000.00 Combined Single Limit Each Accident

If the Auditor does not own any vehicles, this requirement can be satisfied by having the Auditor's Commercial General Liability policy endorsed with "Non-Owned and Hired Automobile" Liability coverage.

Professional Liability Insurance shall be maintained by the Auditor which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Auditor arising out of activities governed by this Agreement. The minimum acceptable limits of liability shall be \$1,000,000 per Occurrence and \$2,000,000 Annual Aggregate. If the policy is structured on a "Claims Made" basis, the policy must contain a "Retroactive Date" of no later than the commencement date of the Agreement and will have an extended reporting period of four (4) years following expiration or termination of the Agreement.