

CONTRACT FOR AUDIT AND ACCOUNTING SERVICES

This Agreement ("Agreement" or "Contract") made this 5th day of Sept, 2024 between **POWELL & JONES CPAS**, with its principle address at 1359 SW Main Blvd, Lake City, FL 32025, hereinafter called "AUDITOR", and **COLUMBIA COUNTY, FLORIDA**, a political subdivision of the State of Florida, with its mailing address at P.O. Box 1529, Lake City, FL 32056, hereinafter called "COUNTY". It is the joint intent that the provisions of this contract comply with the terms and specifications of the Columbia County "Professional Auditing Services Request for Proposal" RFP #2024-G (the "RFP") which is appended to and made a part of this contract.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter provided, the COUNTY and AUDITOR agree as follows:

- I. **STANDARD OF CARE** – AUDITOR has represented to the COUNTY that it has the personnel and experience necessary to perform all services hereunder in a professional and workmanlike manner.

AUDITOR shall exercise the same degree of care, skill, and diligence in the performance of the services as is provided by a professional or professionals of like experience, knowledge and resources, under similar circumstances.

AUDITOR shall, at no additional cost to COUNTY, re-perform services which fail to satisfy the foregoing standard of care or otherwise fail to meet the requirements of this Agreement.

AUDITOR warrants that all services shall be performed by skilled and competent personnel at or above minimum professional standards for auditors and audit services.

- II. **SCOPE OF AGREEMENT** – The AUDITOR'S relationship to the COUNTY shall be that of independent contractor. This relationship shall be governed by and in strict compliance with the terms of this Agreement as well as the "Scope of Services" included in the RFP and the AUDITOR'S Submittal in response to the RFP.

AUDITOR as an independent contractor shall be wholly responsible selecting and implementing the methods of performance of services.

COUNTY shall have no right to supervise the methods AUDITOR elects to use, but COUNTY shall have the right to observe AUDITOR'S performance.

AUDITOR shall work closely with COUNTY in performing all services under this Agreement.

The AUDITOR shall not pledge the COUNTY'S credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgement, lien or any form of indebtedness and shall have no right to speak for or bind the COUNTY in any manner.

AUDITOR further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Agreement.

A. AUDIT SCHEDULE

AUDITOR shall conduct an examination of the records, accounts and procedures of the County Agencies of Columbia County beginning with the fiscal year starting on October 1, 2024. The initial term of this Agreement will be five (5) years with up to two (2) additional three (3) year terms, subject to concurrence of the Columbia County Auditor Selection Committee and the approval of the Columbia County Board of County Commissioners. The County Agencies include the following: Board of County Commissioners, Clerk of the Circuit Court, Sheriff, Property Appraiser, Tax Collector, and Supervisor of Elections. The audit for each year shall begin in the month of December with all field work to be completed by March 31st. The auditor shall provide drafts of all audit reports to the Columbia County Finance Department and each Constitutional Officer by April 30th with a Final Signed Report to be delivered to the Columbia County Clerk of Circuit Court by May 31st.

Audit procedures will be performed throughout the year as determined by AUDITOR.

Preliminary and transaction testing for the Board of County Commissioners will be performed beginning approximately July 1st, with the balance of the field work begun by January 25th. Other field work commencement dates will be as provided in Section IV of the RFP.

B. SCOPE OF AUDIT

1. Examination shall be made of all funds and account groups of the County Agencies.
2. By November 30th of each year:
 - a. The County Agencies shall have closed and balanced all accounts and have prepared financial statements for all funds to be examined by the AUDITOR, in compliance with Section 218.32(1)(a), Florida Statutes.
 - b. The County Agencies will prepare for examination the following financial statements for each fund required by generally accepted accounting principles and Section 218.32(l)(a), Florida Statutes.
 - I. Balance sheet
 - II. Statement of revenues and expenditures
 - III. Statement of changes in fund balances

Completion of the State Annual Financial Report forms by the Constitutional Officers or in-house reports from financial software will fulfill this requirement.

- c. AUDITOR will be responsible for drafting and preparing the final audited financial reports for the County Agencies and COUNTY as required by Generally Accepted Accounting Principles. This will include reporting compliance with GASB 34 "Basic Financial Statements and Management Discussion and Analysis (MD & A) for State

and Local Governments" and all other applicable GASB statements. The COUNTY will be responsible for preparation of the MD & A section of the report.

The County Agencies will be responsible for developing and maintaining necessary records for GASB 34 requirements.

- d. The County Agencies shall also supply any additional financial and statistical information, not subject to examination by AUDITOR, but necessary to substantially conform to the principles and standards of public financial reporting prescribed by the Governmental Accounting Standards Board, from time to time.
3. The County Agencies shall provide space as reasonably required by AUDITOR to efficiently perform on-site field work.
4. AUDITOR shall observe the adequacy of systems of internal control. If weaknesses are noted, appropriate recommendations should first be reviewed with the appropriate official and then included in the audit report, as appropriate to the situation.

C. AUDITING STANDARDS AND PROCEDURES

The basic purpose of the engagement is to express an unqualified opinion on the fairness of presentation of Columbia COUNTY'S financial statements for the fiscal year and their conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. If the audit opinion will be other than unqualified, the reasons would be discussed with the COUNTY.

The audit will be conducted as provided by the current editions of:

1. Florida Law (Florida Statute 218.39, Annual Financial Audit Reports).
2. Auditing standards generally accepted in the United States as set forth by the American Institute of Certified Public Accountants.
3. Auditing standards applicable to financial audits as contained in the General Accounting Office's (GAO) Government Auditing Standards, and any amendments thereto issued by the Comptroller General of the United States.
4. The provisions of the Federal Single Audit Act of 1984 (as amended) and U.S. Office of Management and Budget (OMB) Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations and any amendments thereto.
5. The Florida Single Audit Acts, Florida Statutes 215.97 and Chapter 270-1, Rules of the Executive Office of the Governor, Florida Administrative Code.
6. Rules of the Auditor General, Section 10.550, Local Government Audits.
7. Any other applicable federal, state, or local regulations or professional guidance not specifically listed above as well as any additional requirements that may be adopted by these organizations in the future.

The attestation required by the Rules of the Auditor General is to be performed in accordance with:

1. Attestation standards established by the American Institute of Certified Public Accountants (AICPA).
2. Attestation standards applicable to attestation engagements contained in the Government Auditing Standards issued by the Comptroller General of the United States.

The audit will include a review of the system of internal control and tests of transactions to the extent AUDITOR believes necessary. Accordingly, it will not include a detailed audit of transactions to the extent which would be required if intended to disclose defalcations or other irregularities, although such discovery may result. The audit will also include a review of the COUNTY'S compliance with certain laws, ordinances, contracts, and written policies.

The County Agencies' management have the responsibility for proper recording of transactions of books of account, for the safeguarding of assets, and for substantial accuracy of the financial statements. Such statements are representations of each agency's respective management.

In addition to expressing an opinion on the financial statements, AUDITOR will submit as a normal part of the audit a letter advising COUNTY of opportunities AUDITOR observes for economies in operating or improvements in internal control and accounting procedures, adequacy of accounting systems, and conformity of operations to appropriate statutory requirements. AUDITOR will discuss any findings with appropriate COUNTY officials prior to finalizing them in the report. Should irregularities be discovered during the course of the audit which suggest any possible criminal activity, appropriate law enforcement agencies and COUNTY officials will be immediately notified.

D. OTHER SERVICES INCLUDED

In addition to the services described in Section II "Scope of Services" in the RFP, AUDITOR shall provide the following services at no additional cost to the COUNTY:

1. Routine telephone consultation to Board staff, the County Manager, the County's Finance Director, and Constitutional Officers and their financial staff.
2. Audit of all grants received by County Agencies. If any audit fee is provided for any grant, the fee will be credited to the COUNTY.
3. Preparation of the reports listed in Section II-B of the RFP.

E. COMPENSATION AND TERMS OF PAYMENT

3. The COUNTY shall pay AUDITOR the following total fees for each of the annual audits:

Year End	Total Fee
09-30-25	\$125,000
09-30-26	\$126,000
09-30-27	\$127,000
09-30-28	\$128,000
09-30-29	\$129,000

4. If unusual circumstances are encountered making it necessary for AUDITOR to do work beyond the scope of this Agreement or the RFP, AUDITOR shall immediately report such conditions to the responsible COUNTY officials and both parties shall negotiate any additional compensation as appears justified and shall agree to any such additional compensation with requisite formalities completed prior to the commencement of any such work for which additional compensation is demanded.
5. Periodic progress billings shall be submitted as actual work is completed on any of the yearly audits, but invoices shall issue no more often than monthly. Progress billings shall be submitted in such form as to provide the COUNTY with sufficient information to ascertain that billings will not exceed the proportional fee earned for any year.
6. Invoices will be submitted by the AUDITOR upon completion of the work described in the RFP. Invoices shall be submitted to Board of County Commissioners, P.O. Box 1529, Lake City, FL 32056. Each invoice shall be due and payable in accordance with the Florida Prompt Payment Act.
7. If significant new, non-grant related activities are entered into by the COUNTY creating a subsequent need for significant additional auditing services in any year, AUDITOR and COUNTY shall negotiate a fee basis for those additional services prior to beginning the audit for the concerned year. If such services are of a repetitive nature, the increase shall be added to the basis fee in Section F for the effective years.

F. OTHER SERVICES

As specifically authorized from time to time during our contract period, and as allowed by professional standards, AUDITOR will provide accounting and auditing, consulting, and management advisory services to the Board and individual Constitutional Officers at the following hourly rates:

Partner	\$ 175 per hour
Senior Accountant	\$ 140 per hour
Staff Accountant	\$ 125 per hour

Any associated travel would be billed at rates permitted by Florida Law.

These rates will not be increased during the term of this Agreement.

G. AUDIT REPORTS

AUDITOR shall provide the COUNTY the types and quantities of audit reports as detailed in Section II-B of the RFP. AUDITOR shall also provide an electronic version of the county-wide report in compliance with the requirements of the Auditor General of Florida. Any additional reports shall be provided on a cost-reimbursement basis. The final signed reports shall be delivered to the Columbia County Clerk of Circuit Court by May 31. The auditor shall present the Final Audit Report to the Columbia County Board of County Commissioners at the second regularly scheduled meeting in June.

LIQUIDATED DAMAGES PROVISION: For each day that passes after May 31 and the final, signed report has not been submitted to the Clerk of Court, AUDITOR shall pay to the COUNTY the sum \$100 per day until such time as the final, signed report is delivered. The parties agree this is an amount that is reasonable in the light of the anticipated harm caused by the breach, the difficulties of proof of the COUNTY'S loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy as a consequence of the breach. This amount is not unreasonably large and does not constitute a penalty. In the event delays on the part of COUNTY or any Constitutional Officer contribute to or may contribute to late delivery of the final, signed report to the Clerk of Court, it shall be AUDITOR'S duty to report such delays to the County Manager within five business days of their occurrence. Such report shall detail the nature of the delay, the way in which the delay can be remedied, if any, and the anticipated impact on the final delivery deadline. If the County Manager agrees that such delay is attributable to the COUNTY or one of its Constitutional Officers, then the County Manager shall confirm the same and liquidated damages shall not apply to such period of delay. Notwithstanding the COUNTY'S waiver of liquidated damages that may occur under this part, there shall be no extension or waiver of the due date provided in this part, and the COUNTY shall retain the right to declare breach in the event of late delivery.

H. NON-DISCRIMINATION

The AUDITOR agrees that he will not discriminate against any of his employees or applicants for employment because of their race, color, religion, sex, or national origin, and to abide by all Federal and State Laws regarding non-discrimination. Any violation of such provisions shall constitute a material breach of this Agreement.

I. RENEWAL AND TERMINATION

As provided in section A above, this Agreement may be renewed by the COUNTY for an additional two (2) three (3) year terms on the same terms and fees in Sections E (with an annual \$1,000 increase in the annual fee) and F, and as mutually agreed upon by the COUNTY and AUDITOR. This Agreement and any extension hereof may be terminated by either party upon the giving of a minimum one hundred twenty (120) day written notice. If there is a substantial failure by AUDITOR to perform in accordance with the terms of the agreement through no fault of COUNTY, and if such failures by AUDITOR present a risk of irreparable harm to the COUNTY, then COUNTY may immediately terminate this Agreement for cause and seek alternative service provision to mitigate the COUNTY'S exposure to such harm. Upon termination, be it with or without cause, any amount payable to AUDITOR will be according to the fee as earned, determined by the amount and value of the work performed or to be performed prior to of the final date of termination.

After the initial five (5) year term, the COUNTY, in its sole discretion, may elect not to exercise any period of renewal of this Agreement and shall notify AUDITOR in writing upon making such determination. If COUNTY and AUDITOR have not mutually agreed to any renewal provided by this Agreement, then it shall be presumed the COUNTY has declined to exercise its renewal rights and this Agreement shall expire at the end of the then-current original or extension term.

J. DEFAULT

In the event either party defaults under the terms of this contract and such default is curable in nature, then the non-defaulting party shall give written notice of default and allow thirty (30) days for the default to be cured. If the defaulting party fails to cure the noticed default, then the non-defaulting party shall be entitled to immediately terminate this contract. This section shall not impair the COUNTY'S right to protect itself from irreparable harm as provided in section I.

K. INDEMNIFICATION

DELETED

L. ATTORNEYS' FEES AND COSTS OF DISPUTE RESOLUTION

In the event a dispute arising under this Agreement results in litigation initiated by either party against the other, then the prevailing party to such litigation shall recover its reasonable attorney's fees and costs from the non-prevailing party. For purposes of this paragraph, "litigation" includes pre-suit matters involving legal counsel (including settlement discussions, mediations, or other forms of alternative dispute resolution), fees and costs directly related to the prosecution or defense of any lawsuit, and appellate fees and costs in the event any appeal is taken.

M. APPLICABLE LAW AND VENUE

This Agreement shall be interpreted and enforced under the laws of the State of Florida Law. The exclusive venue for any litigation arising under this agreement shall be the state courts in and for Columbia County, Florida.

N. NOTICES

All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by either registered or certified mail or by nationally recognized guaranteed over- night courier service, postage prepaid, as follows:

If to COUNTY:
County Manager
Post Office Box 1529
Lake City, Florida 32056-1529

With a copy to:
County Attorney
Post Office Box 550
Lake City, FL 32056

If to AUDITOR:
POWELL AND JONES CPAS
ATTN: Caleb Perla, Partner
caleb@powellandjonescpa.com

O. MISCELLANEOUS PROVISIONS

1. Execution counterparts. This agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute and be one and the same instrument.
2. Binding effect. This agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and permitted assigns.
3. Severability. In the event that any provision of this agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein, and the other provisions of this agreement shall as so amended, modified, supplemented, or otherwise affected by such action, remain in full force and effect.
4. Public records. The parties acknowledge County is a political subdivision of the State of Florida and is required to comply with the Public Records Act of the State of Florida, Chapter 119, Florida Statutes, and all other public entity provisions as provided by the Constitution and laws of the State of Florida. AUDITOR will maintain original or copies of its records regarding or arising out of this agreement for a minimum of five (5) years after the termination of this agreement and shall make such records reasonably available to the County upon request.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 386-758-1005 OR 135 NE Hernando Avenue, Suite 203, Lake City, FL 32055.

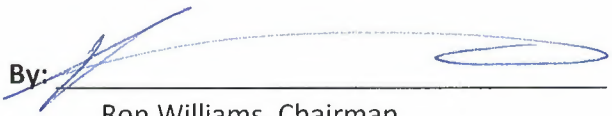
5. Entire and complete agreement. This agreement as amended and all appendices hereto constitute the entire and complete agreement of the parties with respect to the services to be provided hereunder. This agreement unless provided herein to the contrary, may be modified only by written agreement duly executed by the parties with the same formality of this agreement.
6. Additional covenants.
 - a. AUDITOR hereby agrees that it will not bring an action in any court or other forum seeking to void, nullify, terminate or set aside this Agreement on the grounds that the agreement does not comply with the laws of Florida, including the

Constitution of the State of Florida as revised in 1968 and subsequently amended (the "Constitution"). For clarification, the parties agree that the foregoing is not an acknowledgment or admission by either party that this agreement does not comply with the laws of the State of Florida, including the Constitution, and that the foregoing statement does not amend, modify or limit the parties' respective representations herein.

- b. Notwithstanding anything in this Agreement to the contrary, neither party will be liable to the other party for any indirect, incidental, loss of profits, punitive, exemplary, special or consequential damages of any kind whatsoever arising out of or relating to this Agreement to the extent and in the event a court of competent jurisdiction should declare all or any material portion of this Agreement contrary to law or otherwise invalid.
7. Survival of Representations and Warranties. All representations, warranties and indemnities, and the covenants and agreements to be performed subsequent to the execution hereof by the parties contained in this agreement, or in any document delivered in contemplation hereof, shall survive the execution of this agreement and the termination, either voluntarily or involuntarily, of this agreement.

IN WITNESS WHEREOF, the parties have signed this agreement as of the day and year first above written.

COLUMBIA COUNTY, FLORIDA

By: 

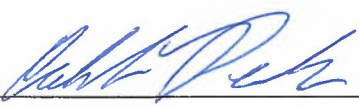
Ron Williams, Chairman
Board of County Commissioners

ATTEST: 

Jay Swisher, Clerk of Courts (SEAL)

AUDITOR:

POWELL AND JONES, CPAS

By: 

Caleb Perla, Partner