

## CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 08/18/2022

Contract/Lease Control #: C22-3222-BCC

Procurement#: RFP BCC 28-22

Contract/Lease Type: AGREEMENT

Award To/Lessee: WARREN AVERETT, LLC

Owner/Lessor: OKALOOSA COUNTY

Effective Date: 10/01/2022

Expiration Date: 09/30/2025 W/2 1 YR RENEWALS

Description of: PROFESSIONAL AUDITING SERVICES

Department: BCC

Department Monitor: HOFSTAD

Monitor's Telephone #: 850-651-7151

Monitor's FAX # or E-mail: JHOFSTAD@MYOKALOOSA.COM

Closed:

Cc: BCC RECORDS

**PROCUREMENT/CONTRACT/LEASE  
INTERNAL COORDINATION SHEET**

Procurement/Contract/Lease Number: <u>TBD</u>	Tracking Number: <u>4607-22</u>
Procurement/Contractor/Lessee Name: <u>Warren Street</u>	Grant Funded: YES ___ NO <u>X</u>
Purpose: <u>Professional Accessibility Service</u>	
Date/Term: <u>3 yrs w/ 21yr renewal</u>	1. <input checked="" type="checkbox"/> GREATER THAN \$100,000
Department #: <u>0114</u>	2. <input type="checkbox"/> GREATER THAN \$50,000
Account #: <u>various</u>	3. <input type="checkbox"/> \$50,000 OR LESS
Amount: <u>\$780,402.00 34K</u>	
Department: <u>BCC</u>	Dept. Monitor Name: <u>Hepstead</u>

<b>Purchasing Review</b>	
Procurement or Contract/Lease requirements are met:	
<u>DeRita Mason</u>	Date: <u>5-21-22</u>
Purchasing Manager or designee	Jeff Hyde, DeRita Mason, Jessica Darr, Angela Etheridge

<b>2CFR Compliance Review (if required)</b>	
Approved as written: <u>no federal law</u>	Grant Name: _____
_____	Date: _____
Grants Coordinator	Suzanne Ulloa

<b>Risk Management Review</b>	
Approved as written: <u>see email attached</u>	Date: <u>5-22-22</u>
_____	
Risk Manager or designee	Kristina LoFria

<b>County Attorney Review</b>	
Approved as written: <u>see email attached</u>	Date: <u>7-13-22</u>
_____	
County Attorney	Lynn Hoshihara, Kerry Parsons or Designee

<b>Department Funding Review</b>	
Approved as written: _____	Date: _____

<b>IT Review (if applicable)</b>	
Approved as written: _____	Date: _____

## **DeRita Mason**

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**From:** Lynn Hoshihara  
**Sent:** Wednesday, July 13, 2022 3:08 PM  
**To:** DeRita Mason  
**Subject:** Warren Averett agreement  
**Attachments:** Okaloosa County EL As Issued Word 7.13.22.rtf

DeRita,

Attached are my changes to the Warren Averett agreement. With these changes, this is approved. I believe Sheila wanted to give JD Peacock an opportunity to review the agreement as well.

Thanks,  
Lynn

Lynn M. Hoshihara  
County Attorney  
Okaloosa County, Florida

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

## DeRita Mason

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**From:** Kristina LoFria  
**Sent:** Thursday, June 23, 2022 10:25 AM  
**To:** DeRita Mason  
**Subject:** RE: EL

DeRita,

This is approved by Risk.

Thank You

*Kristy LoFria*

Safety Coordinator  
Okaloosa County BOCC-Risk Management-  
302 N Wilson St Suite 301  
Crestview, Florida 32536  
[klofria@myokaloosa.com](mailto:klofria@myokaloosa.com)  
850-689-5979



*For all things Wellness please visit:*

<http://www.myokaloosa.com/wellness>

**"When the winds of adversity blow against your boat, just adjust your sail."**

**"Don't aim for success if you want it; just do what you love and believe in, and it will come naturally." David Frost**

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**From:** DeRita Mason <[dmason@myokaloosa.com](mailto:dmason@myokaloosa.com)>  
**Sent:** Thursday, June 23, 2022 10:13 AM  
**To:** Kristina LoFria <[klofria@myokaloosa.com](mailto:klofria@myokaloosa.com)>  
**Subject:** FW: EL

Please see if these will be good. Once legal approves, I will put it together for signature.



## DeRita Mason

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**From:** Kristina LoFria  
**Sent:** Friday, May 27, 2022 12:43 PM  
**To:** DeRita Mason  
**Subject:** RE: Contract with Warren Averett for Auditing Services

DeRita,

Good afternoon, this is approved by Risk for insurance purposes.

Thank You

*Kristy Lofria*

Okaloosa County BOCC-Risk Management  
Public Records & Contract Specialist  
302 N Wilson St Suite 301  
Crestview, Florida 32536  
[klofria@myokaloosa.com](mailto:klofria@myokaloosa.com)  
850-689-5979



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**From:** DeRita Mason <[dmason@myokaloosa.com](mailto:dmason@myokaloosa.com)>  
**Sent:** Friday, May 27, 2022 11:39 AM  
**To:** Lynn Hoshihara <[lhoshihara@myokaloosa.com](mailto:lhoshihara@myokaloosa.com)>  
**Cc:** Kristina LoFria <[klofria@myokaloosa.com](mailto:klofria@myokaloosa.com)>; Kerry Parsons <[kparsons@myokaloosa.com](mailto:kparsons@myokaloosa.com)>  
**Subject:** RE: Contract with Warren Averett for Auditing Services



# Board of County Commissioners Purchasing Department

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State of Florida

Date: May 6, 2022

OKALOOSA COUNTY PURCHASING DEPARTMENT  
NOTICE OF INTENT TO AWARD  
RFP BCC 28-22

Professional Auditing Services

Okaloosa County would like to thank all businesses, which submitted bids to the Professional Auditing Services. (RFP BCC 28-22)

After in-depth examination of all bids in accordance with the County's Purchasing Manual, the County announces its intent to award the contract/purchase order to the following:

**Warren Averett, LLC.**  
**45 Eglin Parkway N.E., Suite 301**  
**Fort Walton Beach, FL 32548**

This Notice of Intent does NOT constitute the formation of a contract/purchase order between Okaloosa County and the apparent successful bidder/respondent. The County reserves the right to enter into negotiations with the successful bidder/respondent in order to finalize contract terms and conditions. No agreement is entered into between the County and any parties until a contract is approved and fully executed.

Any person/entity desiring to file a procurement protest must meet all the standards and criteria in accordance with Section 31 of the Okaloosa County Purchasing Manual. Failure to file a protest within the time prescribed in Section 31.02 of the Okaloosa County Purchasing Manual, shall constitute a waiver of protest proceedings.

Respectfully,

  
Jeffrey Hyde  
Purchasing Manager



# WARREN AVERETT, LLC

Unique Entity ID <b>S1UNW1L3S2Y3</b>	CAGE / NCAGE <b>7PGL8</b>	Purpose of Registration <b>All Awards</b>
Registration Status <b>Inactive Registration</b>	Expiration Date <b>Jun 12, 2018</b>	
Physical Address <b>6 Concourse PKWY STE 600 Atlanta, Georgia 30328-5351 United States</b>	Mailing Address <b>2500 Acton Road Birmingham, Alabama 35243 United States</b>	

Doing Business as <b>(blank)</b>	Division Name <b>(blank)</b>	Division Number <b>(blank)</b>
Congressional District <b>Georgia 06</b>	State / Country of Incorporation <b>Alabama / United States</b>	URL <b>www.warrenaverett.com</b>

## Registration Dates

Activation Date <b>Jun 12, 2017</b>	Submission Date <b>Jun 12, 2017</b>	Initial Registration Date <b>Aug 11, 2016</b>
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## Entity Dates

Entity Start Date <b>Dec 20, 2011</b>	Fiscal Year End Close Date <b>Dec 31</b>
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## Immediate Owner

CAGE <b>(blank)</b>	Legal Business Name <b>(blank)</b>
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## Highest Level Owner

CAGE <b>(blank)</b>	Legal Business Name <b>(blank)</b>
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## Executive Compensation

Registrants in the System for Award Management (SAM) respond to the Executive Compensation questions in accordance with Section 6202 of P.L. 110-252, amending the Federal Funding Accountability and Transparency Act (P.L. 109-282). This information is not displayed in SAM. It is sent to USAspending.gov for display in association with an eligible award. Maintaining an active registration in SAM demonstrates the registrant responded to the questions.

## Proceedings Questions

Registrants in the System for Award Management (SAM) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2.C.F.R. 200 Appendix XII. Their responses are not displayed in SAM. They are sent to FAPIIS.gov for display as applicable. Maintaining an active registration in SAM demonstrates the registrant responded to the proceedings questions.

## Active Exclusions Records?

No

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

## Business Types

Entity Structure <b>Partnership or Limited Liability Partnership</b>	Entity Type <b>Business or Organization</b>	Organization Factors <b>Limited Liability Company</b>
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[Department of State](#) / [Division of Corporations](#) / [Search Records](#) / [Search by FEI/EIN Number](#) /

## Detail by FEI/EIN Number

Foreign Limited Liability Company

WARREN AVERETT LLC

### Filing Information

**Document Number** M12000000110

**FEI/EIN Number** 45-4084437

**Date Filed** 01/05/2012

**State** AL

**Status** ACTIVE

### Principal Address

2500 Acton Road  
Birmingham, AL 35243

Changed: 04/01/2021

### Mailing Address

2500 Acton Road  
Birmingham, AL 35243

Changed: 04/01/2021

### Registered Agent Name & Address

C T Corporation System  
1200 South Pine Island Road  
Broward County  
Plantation, FL 33324

Name Changed: 03/17/2017

Address Changed: 03/17/2017

### Authorized Person(s) Detail

#### **Name & Address**

Title Member

Harry, April A.  
2500 Acton Road  
Birmingham, AL 35243

Title Member

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
07/18/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER <b>Marsh &amp; McLennan Agency LLC</b> 10 Inverness Center Pkwy Suite 400 Birmingham, AL 35242	CONTACT NAME: <b>Mark Landers</b>	
	PHONE (A/C, No, Ext): <b>205-969-1034</b>	FAX (A/C, No): <b>205-969-2131</b>
	E-MAIL ADDRESS: <b>Mark.Landers@MarshMMA.com</b>	
INSURED <b>Warren Averett Companies, LLC and Warren Averett, LLC</b> 2500 Acton Road Birmingham, AL 35243	INSURER(S) AFFORDING COVERAGE	
	INSURER A: <b>Valley Forge Insurance Company</b>	NAIC #: <b>20508</b>
	INSURER B: <b>The Continental Insurance Company</b>	<b>35289</b>
	INSURER C: <b>American Casualty Co. of Reading PA</b>	<b>20427</b>
	INSURER D:	
	INSURER E:	
	INSURER F:	

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			6050207771	06/30/2022	06/30/2023	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$15,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			6050207785	06/30/2022	06/30/2023	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$10000			6050207821	06/30/2022	06/30/2023	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	6050207799	06/30/2022	06/30/2023	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Okaloosa County and its officers are named as Additional Insured in regards to General Liability when required by written contract but only with respect to the operations of the Named Insured and subject to the provisions and limitations of the policy. A Waiver of Subrogation applies in favor of the certificate holder under the General Liability and Workers Compensation policies when required by written contract and subject to the provisions and limitations of the policies. Umbrella follows form.

## CERTIFICATE HOLDER

## CANCELLATION

Okaloosa County Board of County Commissioners 5479A Old Bethel Road Crestview, FL 32536	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <b>PETER J. KRAUSE</b>





## **TERMS OF ENGAGEMENT**

**JUNE 17, 2022**

We are pleased to confirm our understanding of the services we are to provide for Okaloosa County, Florida (the Client) for year ended September 30, 2022.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the Client as of and for the year ended September 30, 2022. In addition to the basic financial statements noted, and as required by Florida Auditor General, we will also audit the special purpose financial statements of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Client's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Client's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of Changes in Total OPEB Liability and Related Ratios
- 3) Schedule of Proportionate Share of Net Pension Liability for the Florida Retirement System and Health Insurance Subsidy
- 4) Schedule of Contributions for the Florida Retirement System and Health Insurance Subsidy

We have also been engaged to report on supplementary information other than RSI that accompanies the Client's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

- 1) Schedule of expenditures of federal awards and state financial assistance
- 2) Schedule of expenditures of passenger facility charges
- 3) Schedule of receipts and expenditures related to the Deepwater Horizon Oil Spill
- 4) Combining and Individual fund statements and schedule

**CONTRACT: C22-3222-BCC  
WARREN AVERETT, LLC  
PROFESSIONAL AUDITING SERVICES  
EXPIRES: 09/30/2025 W/2 1 YR RENEWALS**

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

1) Introductory Section

2) Statistical Schedules

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the *Florida Single Audit Act* and Chapter 10.550, Rules of the Auditor General.

We will also examine the compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*, of the Board of County Commissioners of Okaloosa County, Florida, as of September 30, 2022. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include tests of your records and other procedures we consider necessary to enable us to express an opinion as to whether the Board of County Commissioners of Okaloosa County, Florida, complied, in all material respects, with Chapter 10.550, *Rules of the Auditor General*. If, for any reason, we are unable to complete the examination, we will not issue a report as a result of this engagement. Our examination engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, fraud, or other violations of laws or regulations, that may exist. However, we will inform you of any material errors or fraud that comes to our attention. We will also inform you of any other violations of laws or regulations that come to our attention, unless clearly inconsequential.

#### **Auditors' Responsibilities for the Audit of the Financial Statements and Single Audits**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, the Florida Single Audit Act and Chapter 10.550 Rules of the Auditor General and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance and Florida Single Audit Act, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of financial statements does not relieve you of your responsibilities.

#### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, the Florida Single Audit Act and Chapter 10.550, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program and state project. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our reports on internal control issued pursuant to the Uniform Guidance, Florida Single Audit Act and Chapter 10.550.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance and the Florida Single Audit Act.

### **Audit Procedures—Compliance**

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

The Uniform Guidance and the Florida Single Audit Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal and state statutes, regulations, and the terms and conditions of federal awards and state projects applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and *State Projects Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Client's major programs. For federal programs or state awards that are included in the Compliance Supplements, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplements identify as being subject to audit. The purpose of these procedures will be to express an opinion on the Client's compliance with requirements applicable to each of its major programs and state projects in our report on compliance issued pursuant to the Uniform Guidance and Florida Single Audit Act.

### **Other Services**

We will also assist in preparing the financial statements and schedule of expenditures of federal awards and state projects, and related notes of the Client in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards and state projects, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards and state projects, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the cash flow statements, the schedule of expenditures of federal awards and state projects, and related notes and that you have reviewed and approved the cash flow statements, the schedule of expenditures of federal awards and state projects, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements and Single Audits**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible

for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards and state projects, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards and state projects received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards and state projects (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance and Florida Single Audit Act. You agree to include our report on the schedule of expenditures of federal awards and state projects in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards and state projects. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards and state projects that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards and state projects in accordance with the Uniform Guidance and Florida Single Audit Act; (2) you believe the schedule of expenditures of federal awards and state projects, including its form and content, is stated fairly in accordance with the Uniform Guidance and Florida Single Audit Act; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.



You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

#### **Engagement Administration**

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Okaloosa County, Florida Board of County Commissioners; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Warren Averett, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to cognizant or oversight agencies or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Warren Averett, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by any Cognizant Agency, Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Angela D. Balent, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

### **Fees**

Our fees for these services will be \$255,000. Our fee for these services will not exceed the fee limitations established in accordance with the auditing contract with Okaloosa County, unless the scope of the engagement is changed, the assistance which the Client has agreed to furnish is not provided, or unexpected conditions are encountered, in which case we will discuss the situation with Management before proceeding. We are currently under contract with Okaloosa County, Florida to provide audit services for the years ending September 30, 2022, 2023, and 2024, unless earlier terminated by either party by providing at least ninety (90) days written notice. The fees for the additional contract years are found in Attachment I. Annual engagement letters will be issued to ensure compliance with auditing standards in effect at the time the services are provided. The agreement may be renewed for an additional three (3) one year renewals.

### **Reporting**

We will issue written reports upon completion of our Single Audits. Our reports will be addressed to the Honorable Chairman and Members of the Board of Okaloosa County Commissioners and Other Elected Officials. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance, State of Florida Single Audit Act, Rules of the Florida Auditor General, and Passenger Facility Charge Program report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, Florida Single Audit Act, Rules of the Florida Auditor General and Passenger Facility Program. Both reports will state that the report is not suitable for any other purpose.

### **Additional Services**

The Client (to include other elected officials of Okaloosa County) may request additional services relating to accounting, auditing and other special projects of Warren Averett, LLC as specified in the original request for proposal. The hourly rates for any additional services requested can be found in Attachment I. Warren Averett, LLC shall aid the Client in the defense of claims that may arise as the result of their audit services. Such aid shall not be included and not considered additional services under this agreement.

### **Billing**

Invoices are issued as work is performed and we will progress bill during the period of August to March. The final 10% of our fee will be invoiced upon delivery of our opinions for inclusion in the Comprehensive Annual Financial Report. Invoices are due upon receipt. Invoices shall be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In the event that payment is not received within 30 days of the due date, the Client will be assessed interest charges of one percent per month on the unpaid balance. We reserve the right to suspend or terminate our work due to nonpayment. In the event that our work is suspended or terminated as a result of nonpayment, the Client agrees that we will not be responsible for the Client's failure to meet government and other filing deadlines, or for penalties or interest that may be assessed against the Client resulting from the Client's failure to meet such deadlines.

### **Detection**

This engagement will not include any procedures designed to detect theft or illegal acts that are immaterial to the financial statements and the Client agrees that we will have no responsibility to do so.

### **Employment**

In the event you desire to employ a current employee of Warren Averett, LLC or a previous employee of Warren Averett, LLC whose termination date is within 6 months of the date services were provided to you by us, you agree to consult with us concerning such employment. In addition, if you employ such employee, you agree Warren Averett, LLC has the option to receive a reasonable placement fee from you, in an

amount determined by us not exceeding 25% of employee's annual compensation at the time of termination.

### **Liability**

Warren Averett, LLC's maximum liability to the Client for any reason shall be limited to the fees paid by the Client for the services or work product giving rise to the liability except and to the extent finally determined to have resulted from our negligence or willful misconduct. Without limiting the foregoing, Warren Averett, LLC's liability under this agreement is limited to the actual and direct damages incurred by the Client arising out of or related to Warren Averett, LLC's performance hereunder. In no event shall Warren Averett, LLC be liable for any incidental, consequential, special, indirect, punitive or third-party damages or claims, including, without limitation, lost profits or revenue, lost savings, lost productivity, loss of data, loss of use of equipment and loss from interruption of business, regardless of whether the form of action is based upon breach of warranty, breach of contract, negligence, strict liability in tort or any other legal theory even if Warren Averett, LLC has been advised about the possibility of such damages.

### **Dispute Resolution**

The parties shall attempt to resolve any dispute arising under this Agreement by participating in mediation. The parties agree to share equally in the costs of such mediation. In the event the parties are unable to resolve the dispute through the mediation process, each party shall be free to pursue any other legal remedies.

### **Invalidation**

In the event that any portion of this agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of this agreement.

### **Disclosure**

By signing this letter, you consent to allow us to disclose your tax return information, if applicable, or other information to our service providers. If you want to limit the amount of information that may be disclosed to any third-party service provider, please notify us in writing as an attachment to this letter.

### **Warren Averett Connect**

Warren Averett Connect is a tool for the sharing of information between the Client and Warren Averett. Warren Averett Connect is not designed to store Client information and documents. Client is responsible for maintaining backup to all Client data provided to and by Warren Averett, LLC.

### **Term**

This agreement shall survive the termination of the Client's engagement of Warren Averett, LLC.

### **Amendment**

The terms and conditions of this agreement (i) apply exclusively to the services specifically set forth in the "Services Provided" section herein (the "Current Specified Services") and do not apply to any other services specifically addressed in a separate Terms of Engagement entered into between Warren Averett, LLC and the Client. This agreement replaces and amends all previous Terms of Engagement entered into between Warren Averett, LLC and the Client for the services specifically set forth in the "Services Provided" section herein (the "Current Specified Services"). This agreement does not impose upon Warren Averett, LLC any additional obligations or responsibilities with respect to any other Terms of Engagement entered into between Warren Averett, LLC and the Client.

**Public Records:** Warren Averett, LLC, will

- Keep and maintain public records required by the County to perform the service.
- Upon request from the County's custodian of public records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in chapter 119 Florida Statutes or as otherwise provided by law.
- Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the County. The audit working papers shall remain the property of Warren Averett, LLC.
- Upon completion of the contract, transfer, at no cost, to the County all public records in possession of the contractor or keep and maintain public records required by the County to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining the public records. All records stored electronically must be provided to the public agency, upon the request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

**Audit**

The Client shall have the right from time to time at its sole expense to audit the compliance by Warren Averett, LLC with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement and such right shall extend for a period of three (3) years after termination of this Agreement. If the Client should choose to invoke this provision, the Client shall engage a CPA firm or a CPA, with recent peer review experience specific to governmental entities in Florida, to perform the function.

**Third Party Beneficiaries**

It is specifically agreed between the parties executing this Agreement that is not intended by any of the provisions of any part of the Agreement to create in the public or any member thereof, a third party beneficiary under this Agreement, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms for provisions of this Agreement.

**Governing Law & Venue**

This Agreement shall be interpreted in accordance with the laws of the State of Florida without regard to its principles of conflicts of laws. Venue for any legal proceedings arising out of this Agreement shall be in Okaloosa County, Florida.

**Insurance**

The Client's insurance requirements are contained in Attachment II to this Agreement. Warren Averett, LLC has insurance to meet the requirements.

**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 OKALOOSA COUNTY RISK MANAGEMENT DEPARTMENT, 302 N. WILSON ST., CRESTVIEW, FL 32536 PHONE: (850) 689-5977 riskinfo@myokaloosa.com**

We appreciate the opportunity to be of service to the Client and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

**IN WITNESS WHEREOF**, the parties hereto have made and executed this Contract on the respective dates under each signature.

WARREN AVERETT  
BY: Angela D. Balent  
PRINT NAME: Angela D. Balent  
DATE: June 17, 2022

OKALOOSA COUNTY  
BY: Mel Ponder  
Okaloosa County Chairman of the Board  
PRINT NAME: Mel Ponder  
DATE: August 16, 2022

OKALOOSA COUNTY  
BY: John Hofstad  
Okaloosa County Administrator  
PRINT NAME: John Hofstad  
DATE: August 16, 2022



**ATTACHMENT I**  
**Okaloosa County, Florida**  
**June 17, 2022**

**Audit Fees**

<b>FY 2023</b>	<b>\$260,100</b>
<b>FY 2024</b>	<b>\$265,302</b>

**Hourly Rates for Additional Professional Services**

<b>Partners &amp; Specialists</b>	<b>\$300</b>
<b>Managers</b>	<b>\$255</b>
<b>Supervisory Staff</b>	<b>\$205</b>
<b>Staff</b>	<b>\$175</b>



## Report on the Firm's System of Quality Control

December 31, 2019

To The Partners of Warren Averett LLC and the National Peer Review Committee of the AICPA.

We have reviewed the system of quality control for the accounting and auditing practice of Warren Averett LLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System review as described in the standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, an audit performed under FDICIA, an audit of a broker-dealer, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Warren Averett LLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency or fail*. Warren Averett LLC has received a peer review rating of *pass*.

Henderson Hutcherson  
& McCullough, PLLC

**OKALOOSA COUNTY  
REQUEST FOR PROPOSAL  
PROFESSIONAL AUDITING SERVICES**

**TABLE OF CONTENTS**

- I. Purpose**
- II. Nature of Services Required**
- III. Description of the Government**
- IV. Time Requirements**
- V. Assistance to be provided to the Auditor**
- VI. Proposal Requirements**
- VII. Evaluation Procedures**

*Appendix A – Okaloosa County Government Organizational Chart*

*Appendix B – Finance Department Organizational Chart*

*Appendix C – List of officers/localities*

*Appendix D – Evaluation Criteria*

*Appendix E – Cost Details*

*Appendix F – Contract Form*

**Okaloosa County General Provisions and Forms, General Insurance Requirements**

## **PROPOSAL REQUIREMENTS**

### **REQUEST FOR PROPOSAL RFP BCC 28-22 PROFESSIONAL AUDITING SERVICES**

#### **I. PURPOSE**

The Okaloosa County Board of County Commissioners is seeking proposals from qualified firms of certified public accountants to audit three (3) years of financial statements commencing with the fiscal year ending September 30, 2022 and including fiscal year ending September 30, 2023, and ending with the fiscal year ending September 30, 2024 with the County's option to renew for three (3) one-year terms beyond the initial three (3) years. The audit will include the County's constitutional officers (Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector). These audits are to be performed in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits set forth in the Governmental Audit Standards issued by the Comptroller General of the United States and the provisions of the Federal and State Single Audit Acts.

#### **II. NATURE OF SERVICES REQUIRED**

**SERVICES PURPOSE** - Okaloosa County is soliciting the services of a certified public accounting firm duly licensed under Chapter 473 F.S. and qualified to conduct audits in accordance with government auditing standards to audit its financial statements, and the financial statements of the Constitutional Officers, for the fiscal years ending September 30, 2022, 2023 and 2024, with the County's option to renew for three (3) one-year terms beyond the initial three (3) years at the discretion of the Okaloosa county BOCC. These audits shall be performed in accordance with the provisions contained in this Request for Proposal.

**SCOPE OF WORK TO BE PERFORMED** – Okaloosa County desires the auditor to express an opinion on the **fair presentation of its basic financial statements** in conformity with generally accepted accounting principles accepted in the United States of America and the Governmental Accounting Standards Board (GASB). The auditor is not required to audit the combining and individual non-major fund financial statements and supporting schedules. However, the auditor shall provide an "in-relation-to" report on the combining and individual non-major fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements. The auditor is not required to audit the statistical section of the report. The auditor shall also be responsible for performing certain limited procedures involving Management's Discussion and Analysis and supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards. The auditor is not required to audit the schedule of expenditures of Federal and State awards. However, the auditor shall provide an "in-relation-to" report on that

schedule based on the auditing procedures applied during the audit of the basic financial statements. If Okaloosa County requires services beyond the financial statement audit, the auditor may also be requested to provide other additional audit services to be negotiated at the time of service, however this is not a guarantee of additional work beyond the annual financial statement audit scope. In no instance, will the County require services that are of a forensic accounting or audit nature,

**AUDITING STANDARDS TO BE FOLLOWED** - To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with: auditing standards generally accepted in the United States of America; the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*; the provisions of the Single Audit Act Amendments of 1996; the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; as well as all applicable State requirements including Section 218.39, Florida Statutes; the *Florida Single Audit Act* (Section 215.97, Florida Statutes); Chapter 27D-1, Rules of the Executive Office of the Governor, Florida Administrative Code; State of Florida Auditor General Rules 10.550 and any other required standards that are or become applicable.

**REPORTS TO BE ISSUED** - Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue certain reports, including, but not limited to:

1. A report on the **fair presentation of the basic financial statements** in conformity with generally accepted accounting principles, including an "in-relation-to" report on the combining and individual non-major fund financial statements and the schedule of expenditures of Federal awards and State financial assistance.
2. A **report on compliance and on internal control over financial reporting** based on an audit of financial statements performed in accordance with Government Auditing Standards.
3. A report on compliance with requirements applicable to each major Federal program, each major State project and the Passenger Facility program and on internal control over compliance in accordance with CFR Part 200, Executive Office of the Governor's State Project Compliance Supplement and Chapter 10.550, Rules of the State Auditor General.

In the required reports on internal controls, the auditor shall communicate any **reportable conditions found during the audit**. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management which shall be referred to in the reports on internal controls. The reports on compliance shall include all material instances of noncompliance. All nonmaterial



instances of noncompliance shall be reported in a separate management letter which shall be referred to in the reports on compliance. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of or indications of illegal acts of which they become aware to the Finance Director, the Board of County Commissioners and the County Administrator. Auditors shall assure themselves that the Okaloosa County's Board of County Commissioners or its Chairman is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards.
2. Significant accounting policies.
3. Management judgments and accounting estimates.
4. Significant audit adjustments.
5. Other information in documents containing audited financial statements.
6. Disagreements with management.
7. Management consultation with other accountants.
8. Major issues discussed with management prior to retention.
9. Difficulties encountered in performing the audit.
10. Other reports and/or certifications mandated by the Florida Statutes and the Florida Administrative Code.

Okaloosa County intends to produce an Annual Comprehensive Financial Report (ACFR). Okaloosa County will forward its ACFR to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting Program. It is anticipated that the selected Proposer will be required to provide possible special assistance to Okaloosa County to meet the requirements of that program.

The schedules of expenditures of **Federal awards and State financial assistance** and related auditors' reports are to be issued as part of the ACFR, along with the Schedule of **Passenger Facility Charges**. The auditors will be required to audit compliance with the provisions of F.S. section 29.0085 related to accounting matters on allocation of funds and additional court costs, along with other statutory compliance requirements, where applicable. The auditors will be required to assist the County with Solid Waste Financial Assurance per F.S. section 403.7125.

The Local Government Annual Financial Report distributed by the Department of Financial Services along with the Data Collection Form distributed by the U. S. Department of Commerce shall be completed electronically by the selected Proposer utilizing the audited financial data to complete.

Okaloosa County currently anticipates it will prepare one or more official statements in connection with the sale of debt securities during the contract term which will contain the basic financial statements and the auditors' report thereon. The auditors shall be required, if requested by the financial advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."

WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS - All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by Okaloosa County of the need to extend the retention period. The auditor will be required to make working papers available, upon request to parties or their designees, including, but not limited to, parties designated by the Federal or State governments or by Okaloosa County as part of an audit quality review process.

### **III. DESCRIPTION OF THE GOVERNMENT**

**BACKGROUND INFORMATION** – Okaloosa County is a non-charter County established under the Constitution and the Laws of the State of Florida. The reporting entity of the County includes the funds of the primary government which includes funds of the Board of County Commissioners, the Clerk of the Circuit Court, the Property Appraiser, the Sheriff, the Supervisor of Elections and the Tax Collector. The County Manager/Council form of government was instituted in 1993. **The County population is 211,951 (April 2020 census) and is located in the northwestern part (the “Panhandle”) of Florida. The County employs some 1,619 full-time employees and has total assets of over \$887 million and revenues of over \$317 million for the year ending September 30, 2020.**

All of these offices are currently being audited for the fiscal year ended September 30, 2021. Separate audits of each office are available upon request for the fiscal year ended September 30, 2020. The County's organizational chart can be found in *Appendix A*. Per Florida Statutes, the **Clerk of Circuit Court is charged with maintaining the books and records of the County. As such, the accounting and financial reporting functions of Okaloosa County are centralized within the County Finance Department.** The Okaloosa County Clerk Finance Department's organizational chart can be found in *Appendix B*. Detailed information on the government and its finances can be found in the Annual Comprehensive Financial Report and the annual Budget Document found in the County Finance Department. The County was awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended September 30, 2020. This was the thirty-fourth consecutive year that the County has received this award.

Okaloosa County provides the normal range of governmental services provided by Florida Counties, including general government, public safety, physical environment, transportation, economic environment, culture/recreation, and court-related services. In addition, there are a variety of enterprise activities, including a water and sewer utility, three airports, solid waste disposal, building inspection and emergency medical services.

**FUND STRUCTURE** – Okaloosa County uses the following major funds and non-major funds in its financial reporting:

**General Fund**

Tourist Development  
Special Revenue Fund  
Natural Disasters Special  
Revenue Fund  
Road and Bridge  
Construction Capital  
Projects Fund

**Enterprise Fund**

Water & Sewer  
Airport  
Solid Waste  
Emergency Medical  
Services  
Inspection

23 Special Revenue Funds  
1 Debt Service Fund  
3 Capital Outlay Fund  
2 Enterprise Funds  
4 Internal Service Funds  
15 Agency Funds

BUDGETARY BASIS OF ACCOUNTING – Okaloosa County prepares its budgets on a basis consistent with generally accepted accounting principles. Formal budgetary integration is employed as the legal authority for expenditures and as a management control device during the fiscal year for all funds. Okaloosa County's total year-end budget for fiscal year 2020 was \$453,387,525.

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE - During the fiscal year ended September 30, 2020, Okaloosa County expended \$33 million in Federal awards and \$11 million in State financial assistance. Major Federal programs include USDT Coronavirus Relief Fund. Major State projects include FDEP Statewide Surface Water Restoration and Wastewater Project and FDOT Aviation Development Grant.

PENSION PLANS – Okaloosa County participates in the defined benefit plan of the State of Florida Retirement System, a cost sharing, multiple-employer public employee retirement system.

COMPONENT UNITS – Okaloosa County is defined, for financial reporting purposes, in conformity with the Governmental Accounting Standards Board's *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, there are no component units included in Okaloosa County's ACFR. Any component units are to be audited as part of the audit of Okaloosa County's financial statements.

JOINT VENTURES – Okaloosa County has previously participated in a joint venture with other governments. Okaloosa County participated with the City of Niceville and the City of Valparaiso in a regional sewer system managed by the Niceville, Valparaiso, Okaloosa County Regional Sewer Board, but currently does not participate in any joint venture.

MAGNITUDE OF FINANCE OPERATIONS - The County Finance Department, within the Clerk's Office, is headed by Ron Adamov, CPA, Chief Financial Officer and Jordan Steffens, CPA, CPM, Finance, and consists of approximately 15 employees, not including the Inspector General Audit staff that is made up of four additional employees. The organizational chart of the Finance Department can be found in *Appendix B*.

COMPUTER SYSTEMS - The County's computers are networked within the Clerk of Courts & Comptroller and Board of County Commissioners offices throughout the County. The Board of County Commissioners fund financial records utilize *CentralSquare Pentamotion Open Series Financial and Human Resource* accounting software to record financial activity. The system includes General Ledger, Accounts Receivable and Payable, Budgeting, Personnel, Payroll, Purchasing and Fixed Assets. All Clerk employees and most Board employees have a personal computer with Microsoft Excel and Word and other software applications along with access to the accounting system. The Clerk of Courts & Comptroller and Supervisor of Elections utilize the same software mentioned above to maintain their financial records while the other Constitutional Officers utilize different systems.

INSPECTOR GENERAL FUNCTION – Pursuant to Art. VIII s.1(d). Fla Const. the Clerk of Courts serves as the internal auditor for the County. For that purpose, the Clerk of Court established by charter the Department of Inspector General in January 2015. The Inspector General is Brad Embry, CFE, CIG, CIGI, CIGA and is staffed by 4 additional employees. The Inspector General reports directly to the Clerk of Courts & Comptroller.

AUDITOR SELECTION COMMITTEE – Okaloosa County has appointed an auditor selection committee in compliance with F.S. 218.391. The purpose of the auditor selection committee is to assist the Okaloosa County Board of County Commissioners in the selection of an auditor to conduct the annual financial audit as required

in F.S. 218.39. The auditor selection committee has been tasked with the establishing factors to use for the evaluation of audit services: publically announcing the Request for Proposal, providing interested firms with a request for proposal, evaluating the responsive proposals, and ranking and recommending in order of preference, no fewer than three (3) firms deemed to be the most highly qualified.

AVAILABILITY OF PRIOR AUDIT REPORTS AND WORKING PAPERS - Interested proposers who wish to review prior years' audit reports and management letters should contact DeRita Mason, Purchasing Manager, 850-689-5960.

#### **IV. TIME REQUIREMENTS**

PROPOSAL SCHEDULE - The following is a list of key dates up to and including the date proposals are due to be submitted:

Due date for proposals - **April 22, 2022**

#### **NOTIFICATION AND CONTRACT DATES**

Firm selection process (may include oral presentations) –**June 21, 2022**

**Tentative contract date - July 2022**

#### **SCHEDULE FOR THE 2022 FISCAL YEAR AUDIT** - *(A similar schedule will be developed for audits of future fiscal years)*

The auditor shall complete/submit to the Finance Director each of the following no later than the dates indicated:

- Interim Work - **July 1 through August 30, 2022** (Note: usually first year requires more field work)
- Detailed Audit Plan and List of Schedules to be completed by Okaloosa County - **November 15, 2022**
- Draft Constitutional Officers' financial statements and recommendations - **December 31, 2022**
- Board of County Commissioners Fieldwork - **January 31, 2023**
- Draft Reports and Draft Recommendations - **March 1, 2023**

#### **V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR**

FINANCE DEPARTMENT AND CLERICAL ASSISTANCE - The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the County. In addition, clerical support will be made available to the auditor for typing of routine letters and memoranda.

INSPECTOR GENERAL STAFF ASSISTANCE - The Inspector General staff of Okaloosa County will be available to assist the auditor. Examples of past work performed for external auditors included certain inventory counts and related tests.

ELECTRONIC DATA PROCESSING (EDP) ASSISTANCE - EDP personnel will be available to assist the auditor in performing the engagement and to provide systems documentation and explanations.

WORK AREA, TELEPHONES, PHOTOCOPYING AND FAX MACHINES – The Finance Department will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to computer connection for direct access to the Clerk financial software system, as well as the imaging system for transaction documentation, a telephone line, photocopying machine and FAX machine.

## **VI. PROPOSAL REQUIREMENTS**

**OVERALL CONTENT OF PROPOSAL** - The following material is required to be included within the proposal package:

1. Cover Letter - showing the Request for Proposal subject, the legal name, address and telephone number of the proposer (company, firm, partnership, individual). The cover letter shall contain the name, address and telephone number of a contact person. The cover letter must be signed and dated by the person who has authority to bind the proposing firm to the submitted proposal.
2. Table of Contents - cross-referenced to proposal requirements
3. Detailed Proposal – as outlined below in the Technical Proposal section. Firms not addressing the specific points will be denied further consideration.

### **TECHNICAL PROPOSAL**

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of Okaloosa County in conformity with the requirements of this Request for Proposal. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the Request for Proposal requirements.

The technical proposal should address all the points outlined in the Request for Proposal (excluding any cost information). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the Request for Proposal. While additional data may be presented, the following subjects described in item Nos. 1 and 2 below, must be included. They represent the criteria against which the proposal will be evaluated.

#### **1. Mandatory Elements**

##### **a) Independence**

The firm shall provide an affirmative statement that it is independent of Okaloosa County as defined by generally accepted auditing standards and the U.S. General Accounting Office's *Government Auditing Standards*. The firm also shall provide an affirmative statement that it is independent of any component units of Okaloosa County as defined by those same standards. The firm shall also list and describe the firm's (or proposed subcontractor's) professional relationships involving Okaloosa County or any of its agencies or component units for the past 5 years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. In addition, the firm shall give Okaloosa County written notice of any professional relationships entered into during the period of this agreement.

##### **b) Licensed to Practice in Florida**

An affirmative statement shall be included indicating that the firm and all assigned key professional staff are properly registered/licensed to practice in Florida.

##### **c) Continuing Professional Education Required under *Government Auditing Standards***

The firm shall provide an affirmative statement that all professional personnel have received adequate continuing professional education, as required under *Government Auditing Standards*, within the preceding two (2) years.

##### **d) Quality Control Review**

The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether or not that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

## **2. Technical Qualifications**

### **a) Expertise and Experience**

The proposal shall state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal auditor shall be noted, if applicable.

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five (5) years that are similar to the engagement described in this Request for Proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. These individuals may be contacted by the County to provide references. The firm shall list separately all engagements within the last five (5) years, ranked on the basis of total staff hours, for Okaloosa County by type of engagement (i.e., audit, management advisory services, other). For each engagement, the firm shall indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

The firm shall identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who will be assigned to the engagement and indicate whether each such person is registered/licensed to practice as a certified public accountant in Florida. The firm also shall provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past two (2) years and membership in professional organizations relevant to the performance of this audit. The firm shall provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also shall indicate how the quality of staff over the term of the agreement will be assured. Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of Okaloosa County. However, in either case, Okaloosa County retains the right to approve or reject replacements. Consultants and firm specialists mentioned in response to this Request for Proposal can only be changed with the express prior written permission of Okaloosa County, which retains the right to approve or reject replacements. Other audit personnel may be changed at the discretion of the proposer provided the replacements have substantially the same or better qualifications or experience.

### **b) Specific Audit Approach**

The proposal shall set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in the Nature of Services Section of this Request for Proposal. In developing the work plan, reference shall be made to such sources of information as Okaloosa County's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems. Proposers will be required to provide the following information on their audit approach:

- (1) Proposed segmentation of the engagement; level of staff and number of hours to be assigned to each proposed segment of the engagement; and extent of use of EDP software in the engagement.

- (2) Approach to be taken to gain and document an understanding of Okaloosa County's internal control structure; and type and extent of analytical procedures to be used in the engagement.
- (3) Sample sizes and the extent to which statistical sampling is to be used in the engagement; and approach to be taken in drawing audit samples for purposes of tests of compliance.
- (4) The Proposal shall contain all pricing information relative to performing the audit engagement as described in this RFP. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs, including all out-of-pocket expenses. The dollar cost proposal shall include a schedule of professional fees and expenses that supports the total all-inclusive maximum price.

c) Identification of Anticipated Potential Audit Problems

The proposal shall identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from Okaloosa County.

d) Report Format

The proposal shall include sample formats for required auditors' reports.

## **VII. Evaluation Procedures**

GENERAL – The selection of the Auditor shall be performed in accordance with section 218.391, Florida Statutes, commonly referred to as the” Auditor Selection Law”.

AUDIT COMMITTEE - Submitted proposals will be evaluated by the Audit Selection Committee comprised of the **Clerk of Courts & Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, Tax Collector and Chairman of the Board of County Commissioner** as directed by F.S. 218.391, and approved at the March 01, 2022 Board of County Commissioner’s meeting.

EVALUATION CRITERIA - Proposals will initially be evaluated using two sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated for technical qualifications as described in the Proposal Requirement Section. The following represent the principal selection criteria, which will be considered during the evaluation process.

### 1. Mandatory Elements

- a) The audit firm is independent and has no conflict of interest with regard to any other work performed by the firm for Okaloosa County.
- b) The audit firm is licensed to practice in Florida.
- c) The audit firm's professional personnel have received adequate continuing professional education within the preceding two (2) years.
- d) The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- e) The firm adheres to the instructions in this Request for Proposal on preparing and submitting the proposal.

### 2. Technical Qualifications

#### a) Expertise and Experience

- (1) Ability, capacity, and skill of the proposer to perform the services on a timely basis and accessibility to the County to appear in person for meetings upon one business day notice/request by the County.
- (0-35 points)



(2) Experience of the business and individual members of the business in accomplishing similar services (0-30 points)

(3) Total Price– Price will not be the sole or predominant factor to assure the highly qualified firms will receive appropriate consideration and to discourage the submission of proposals with unrealistically low prices by less qualified firms. (0-25 points)

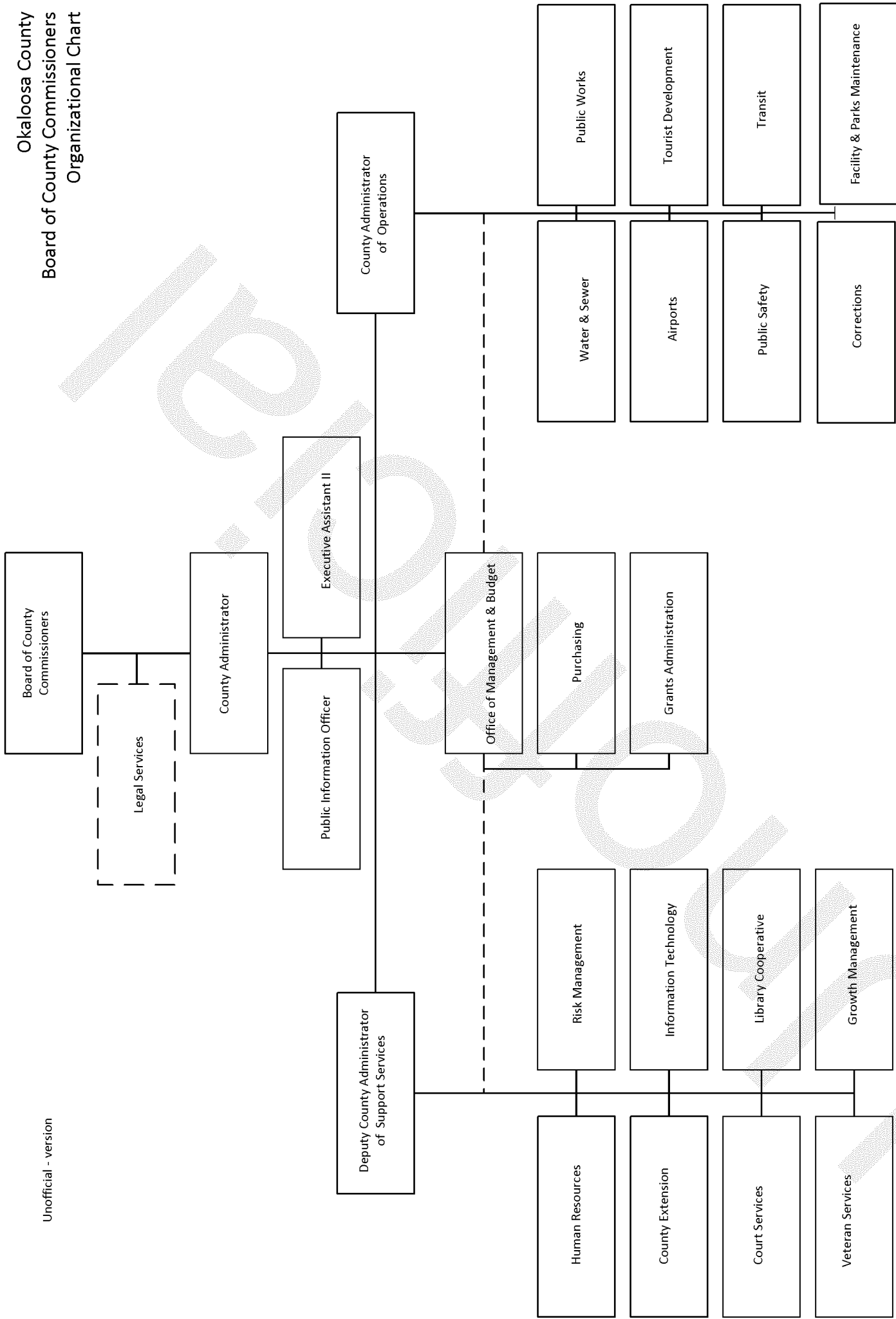
(4) References and Recent, current, and projected workload capacity of proposing auditors. (0-10 points)

**ORAL PRESENTATIONS** - During the evaluation process, the Auditor Selection Committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Auditor Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

**FINAL SELECTION** - The Auditor Selection Committee will rank and recommend in order of preference no fewer than three (3) firms deemed to be the most highly qualified to perform the required services after considering the factors established herein. If fewer than three (3) firms respond to the request for proposal, the Committee shall recommend such firms as it deems to be the most qualified. The Auditor Selection Committee will provide its recommendation to the Okaloosa County Board of County Commissioners for selection and approval pursuant to the F.S.218.391. It is anticipated that a firm will be selected on or around May 2022. Following notification of the firm selected, it is expected a contract will be executed between both parties by June 2022.

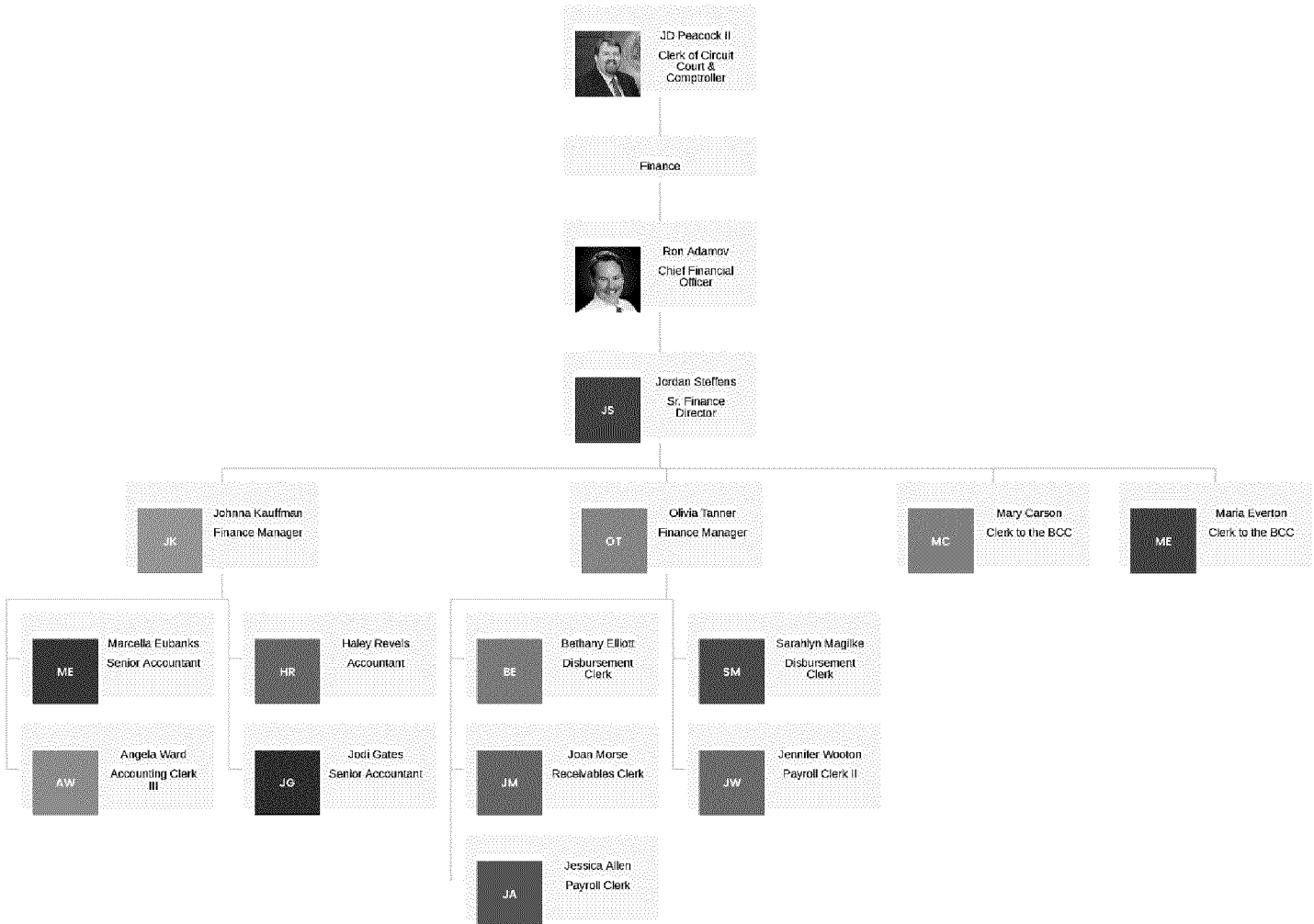
Okaloosa County  
Board of County Commissioners  
Organizational Chart

Unofficial - version



APPENDIX B

OKALOOSA COUNTY CLERK OF COURTS - FINANCE  
ORGANIZATION CHART  
OCTOBER 1, 2021



*APPENDIX C*

OKALOOSA COUNTY, FLORIDA

**COUNTY OFFICIALS**

**COUNTY COMMISSIONERS**

Paul Mixon, 302 N Wilson Street..... District I  
Carolyn Ketchel, 1250 N Eglin Pkwy ..... District II  
Nathan Boyles, 302 N Wilson Street..... District III  
Trey Goodwin, 1250 N Eglin Pkwy ..... District IV  
Mel Ponder, 1250 N Eglin Pkwy..... District V

**OTHER ELECTED OFFICIALS**

JD Peacock II, 101 E James Lee Blvd..... Clerk of Courts & Comptroller  
Eric Aden, 50 2<sup>nd</sup> Street..... Sheriff  
Ben Anderson, 1250 N Eglin Pkwy ..... Tax Collector  
Mack Busbee, 1250 N Eglin Pkwy..... Property Appraiser  
Paul Lux, 302 N Wilson Street..... Supervisor of Elections

**OTHER OFFICIALS**

Lynn Hoshihara, 1250 N Eglin Pkwy..... County Attorney  
John Hofstad, 1250 N Eglin Pkwy ..... County Administrator

**ALTHOUGH COST IS OF CONSIDERABLE IMPORTANCE, IT WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM \* Appendix E should be submitted as a separate document\***

*APPENDIX E*

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE  
SEPTEMBER 30, 2022 – 2023 FINANCIAL STATEMENTS: SUPPORTING SCHEDULE FOR  
AUDIT SERVICES**

	HOURS	PROPOSED HOURLY RATES	PROPOSED TOTAL
Partners			
Managers			
Supervisory Staff			
Staff			
Other (specify)			
Other (specify)			
<b>Subtotal</b>			
Other Expenses (specify):			
<b>Total Price for Audit Services</b>			
Year 1			
Year 2			
Year 3			
<b>Grand Total Price for Audit Services (3 years)</b>			

NOTE: If the proposed hourly rates used to calculate the total all-inclusive price for any contract year are different from contract year 1 rates, provide an index for those years or provide rates for each staff level and each contract year for which there is a change. Also include a statement as to whether those rates will be applicable for any additional professional services which may be requested during those contract years.

**Procurement Scheduled (ANTICIPATED)**

RFP Advertised & Posted on Website	March 28, 2022
Deadline for Questions	April 11, 2022 3:00 P.M.
Answers to Question by County	April 15, 2022
RFP Response Due Date	April 22, 2022 3:00 P.M.
Review Committee Meeting	Week of May 4, 2022
Oral Presentations *if needed	Week of May 23, 2022
Recommend Award via ITA	May 27, 2022
Contract Negotiations	Week of June 06, 2022
Finalize/Execute Agreement by BOCC	June 21, 2022

## **GENERAL SERVICES INSURANCE REQUIREMENTS**

REVISED: 08/01/2018

### **CONTRACTORS INSURANCE**

1. The Contractor shall not commence any work in connection with this Agreement until he has obtained all required insurance and such insurance has been approved by the Okaloosa County Risk Manager or designee.
2. All insurance policies shall be with insurers authorized to do business in the State of Florida.
3. All insurance shall include the interest of all entities named and their respective officials, employees & volunteers of each and all other interests as may be reasonably required by Okaloosa County. The coverage afforded the Additional Insured under this policy shall be primary insurance. If the Additional Insured have other insurance that is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the company's liability under this policy shall not be reduced by the existence of such other insurance.
4. Where applicable, the County shall be shown as an Additional Insured with a Waiver of Subrogation on the Certificate of Insurance on all Workers Compensation Certificates of Insurance.
5. The County shall retain the right to reject all insurance policies that do not meet the requirement of this Agreement. Further, the County reserves the right to change these insurance requirements with 60-day notice to the Contractor.
6. The County reserves the right at any time to require the Contractor to provide copies (redacted if necessary) of any insurance policies to document the insurance coverage specified in this Agreement.
7. The designation of Contractor shall include any associated or subsidiary company which is involved and is a part of the contract and such, if any associated or subsidiary company involved in the project must be named in the Workers' Compensation coverage.
8. Any exclusions or provisions in the insurance maintained by the Contractor that excludes coverage for work contemplated in this agreement shall be deemed unacceptable and shall be considered breach of contract.

### **WORKERS' COMPENSATION INSURANCE**

1. The Contractor shall secure and maintain during the life of this Agreement Workers' Compensation insurance for all of his employees employed for the project or any site connected with the work, including supervision, administration or management, of this project and in case any work is sublet, with the approval of the County, the Contractor shall require the Subcontractor similarly to provide Workers' Compensation insurance for all employees employed at the site of the project, and such evidence of insurance shall be furnished to the County not less than ten (10) days prior to the commencement of any and all sub-contractual Agreements which have been approved by the County.

2. Contractor must be in compliance with all applicable State and Federal workers' compensation laws, including the U.S. Longshore Harbor Workers' Act or Jones Act, if applicable.
3. No class of employee, including the Contractor himself, shall be excluded from the Workers' Compensation insurance coverage. The Workers' Compensation insurance shall also include Employer's Liability coverage.

## **BUSINESS AUTOMOBILE LIABILITY**

Coverage must be afforded for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage. If the contractor does not own vehicles, the contractor shall maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Policy. Contractor must maintain this insurance coverage throughout the life of this Agreement.

## **COMMERCIAL GENERAL LIABILITY INSURANCE**

1. The Contractor shall carry other Commercial General Liability insurance against all other Bodily Injury, Property Damage and Personal and Advertising Injury exposures.
2. All liability insurance (other than Professional Liability) shall be written on an occurrence basis and shall not be written on a claims-made basis. If the insurance is issued with an aggregate limit of liability, the aggregate limit of liability shall apply only to the locations included in this Agreement. If, as the result of any claims or other reasons, the available limits of insurance reduce to less than those stated in the Limits of Liability, the Contractor shall notify the County representative in writing. The Contractor shall purchase additional liability insurance to maintain the requirements established in this Agreement. Umbrella or Excess Liability insurance can be purchased to meet the Limits of Liability specified in this Agreement.
3. Commercial General Liability coverage shall include the following:
  - 1.) Premises & Operations Liability
  - 2.) Bodily Injury and Property Damage Liability
  - 3.) Independent Contractors Liability
  - 4.) Contractual Liability
  - 5.) Products and Completed Operations Liability
4. Contractor shall agree to keep in continuous force Commercial General Liability coverage for the length of the contract.

## **PROFESSIONAL LIABILITY and/or ERRORS AND OMISSIONS LIABILITY**

Coverage must be afforded for Wrongful Acts. Contractor must keep insurance in force until the third anniversary of expiration of this agreement or the third anniversary of acceptance of work by the County.

## **INSURANCE LIMITS OF LIABILITY**

The insurance required shall be written for not less than the following, or greater if required by law and shall include Employer's liability with limits as prescribed in this contract:

	<b><u>LIMIT</u></b>
1. Worker's Compensation	
1.) State	Statutory
2.) Employer's Liability	\$500,000 each accident
2. Business Automobile	\$1,000,000 each accident (A combined single limit)
3. Commercial General Liability	\$1,000,000 each occurrence for Bodily Injury & Property Damage \$1M each occurrence Products and completed operations
4. Personal and Advertising Injury	\$1,000,000 each occurrence
5. Professional Liability (E&O)	\$1,000,000 each claim

## **NOTICE OF CLAIMS OR LITIGATION**

The Contractor agrees to report any incident or claim that results from performance of this Agreement. The County representative shall receive written notice in the form of a detailed written report describing the incident or claim within ten (10) days of the Contractor's knowledge. In the event such incident or claim involves injury and/or property damage to a third party, verbal notification shall be given the same day the Contractor becomes aware of the incident or claim followed by a written detailed report within ten (10) days of verbal notification.

## **INDEMNIFICATION & HOLD HARMLESS**

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the County, its officers and employees from liabilities, damages, losses, and costs including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or wrongful conduct of the Contractor and other persons employed or utilized by the Contractor in the performance of this contract.

**Note: For Contractor's convenience, this certification form is enclosed and is made a part of the bid package.**

## **CERTIFICATE OF INSURANCE**

1. Certificates of insurance indicating the job site and evidencing all required coverage must be submitted not less than 10 days prior to the commencement of any of the work. The certificate holder(s) shall be as follows: Okaloosa County Board of County Commissioners, 302 N. Wilson St., Crestview, Florida, 32536.
2. The contractor shall provide a Certificate of Insurance to the County with a thirty (30) day notice of cancellation; ten (10) days' notice if cancellation is for nonpayment of premium).
3. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of the contractor to provide the proper notice. Such notification shall be in writing by registered mail, return receipt requested, and



addressed to the Okaloosa County Purchasing Department at 5479-A Old Bethel Road, Crestview, FL 32536.

4. In the event the contract term goes beyond the expiration date of the insurance policy, the contractor shall provide the County with an updated Certificate of insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The County reserves the right to suspend the contract until this requirement is met.
5. The certificate shall indicate if coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the certificate will show a retroactive date, which should be the same date of the initial contract or prior.
6. All certificates shall be subject to Okaloosa County's approval of adequacy of protection and the satisfactory character of the Insurer.
7. All deductibles or SIRs, whether approved by Okaloosa County or not, shall be the Contractor's full responsibility. In particular, the Contractor shall afford full coverage as specified herein to entities listed as Additional Insured.
8. In no way will the entities listed as Additional Insured be responsible for, pay for, be damaged by, or limited to coverage required by this schedule due to the existence of a deductible or SIR.

## **GENERAL TERMS**

Any type of insurance or increase of limits of liability not described above which, the Contractor required for its own protection or on account of statute shall be its own responsibility and at its own expense.

Any exclusions or provisions in the insurance maintained by the contractor that excludes coverage for work contemplated in this contract shall be deemed unacceptable and shall be considered breach of contract.

The carrying of the insurance described shall in no way be interpreted as relieving the Contractor of any responsibility under this contract.

Should the Contractor engage a subcontractor or sub-subcontractor, the same conditions will apply under this Agreement to each subcontractor and sub-subcontractor.

The Contractor hereby waives all rights of subrogation against Okaloosa County and its consultants and other indemnities of the Contractor under all the foregoing policies of insurance.

## **UMBRELLA INSURANCE**

The Contractor shall have the right to meet the liability insurance requirements with the purchase of an umbrella insurance policy. In all instances, the combination of primary and umbrella liability coverage must equal or exceed the minimum liability insurance limits stated in this Agreement.

## **GENERAL PROPOSAL CONDITIONS**

### **1. PRE-PROPOSAL ACTIVITY -**

**Addendum** - Except as provided in this section, **respondents are prohibited from contacting or lobbying the County, County Administrator, Commissioners, County staff, and Review Committee members,** or any other person authorized on behalf of the County related or involved with the solicitation. All inquiries on the scope of work, specifications, additional requirements, attachments, terms and general conditions or instructions, or any issue must be directed in writing, by US mail or email to:

Okaloosa County Purchasing Department  
5479A Old Bethel Rd.  
Crestview, FL 32536  
Email: dmason@myokaloosa.com  
(850)689-5960

All questions or inquiries must be received no later than the last day for questions (reference RFP & Respondent's Acknowledgement form). Any addenda or other modification to the RFP documents will be issued by the County five (5) days prior to the date and time of closing, as a written addenda distributed to all prospective Respondents by posting to the Vendor Registry following website.

<https://vrapp.vendorregistry.com/Bids/View/BidsList?BuyerId=21d474a1-e536-4f4d-9f2c-77c3b1e3c683>

Such written addenda or modification shall be part of the proposal documents and shall be binding upon each respondent. Each respondent is required to acknowledge receipt of any and all addenda in writing and submit with their proposal. No respondent may rely upon any verbal modification or interpretation.

### **2. PREPARATION OF PROPOSAL** – The proposal form is included with the proposal documents. Additional copies may be obtained from the County. The respondent shall submit originals and bid forms in accordance with the public notice.

All blanks in the proposal documents shall be completed electronically in both words and numbers with the amounts extended, totaled and the proposal signed. A proposal price shall be indicated for each section, proposal item, alternative, adjustment unit price item, and unit price item listed therein, or the words “No Proposal”, “No Change”, or “Not Applicable” entered. No changes shall be made to the phraseology of the form or in the items mentioned therein. In case of any discrepancy between the written amount and the numeric figures, the written amount shall govern. Any proposal which contains any omissions, erasures, alterations, additions, irregularities of any kind, or items not called for which shall in any manner fail to conform to the conditions of public notice inviting proposals may be rejected.

A proposal submitted by a corporation shall be executed in the corporate name by the president or a vice president or other corporate officer who has legal authority to sign.

A proposal submitted by a partnership shall be executed in the partnership name and signed by a partner (whose title must appear under the signature). The official address of the partnership shall be shown below the signature.

A proposal submitted by a limited liability company shall be executed in the name of the firm by a member and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm must be shown below the signature.

A proposal submitted by an individual shall show the respondent's name and official address.

A proposal submitted by a joint venture shall be executed by each joint venture in the manner indicated on the proposal form. The official address of the joint venture must be shown below the signature.

All signatures shall be submitted electronically - All names shall be typed or printed below the signature.

The proposal shall contain an acknowledgement of receipt of all Addenda, the numbers of which shall be filled in on the form. The address and telephone # for communications regarding the proposal shall be shown.

If the respondent is an out-of-state corporation, the proposal shall contain evidence of respondent's authority and qualification to do business as an out-of-state corporation in the State of Florida in accordance with Article 3. A state contractor license # for the State of Florida shall also be included on the proposal form. Respondent shall be licensed in accordance with the requirements of Chapter 489, Florida Statutes.

3. **INTEGRITY OF PROPOSAL DOCUMENTS** - Respondents shall use the original Proposal documents provided by the Purchasing Department and enter information only in the spaces where a response is requested. Respondents may use an attachment as an addendum to the Proposal documents if sufficient space is not available. Any modifications or alterations to the original proposal documents by the respondent, whether intentional or otherwise, will constitute grounds for rejection of a proposal. Any such modifications or alterations that a respondent wishes to propose must be clearly stated in the respondent's response in the form of an addendum to the original proposal documents.
4. **SUBMITTAL OF PROPOSAL** – All proposals shall be submitted electronically no later than the date and time prescribed on the Notice to Respondents.
5. **MODIFICATION & WITHDRAWAL OF PROPOSAL** - A proposal may be modified or withdrawn by an appropriate document duly executed in the manner that a proposal must be executed and delivered to the place where proposals are to be submitted prior to the date and time for the opening of proposals.

If within 24 hours after proposals are opened any respondent files a duly signed written notice with the County and promptly thereafter demonstrates to the reasonable satisfaction of the County that there was a material substantial mistake in the preparation of its proposal, that respondent may withdraw its proposal, and the proposal security may be returned. Thereafter, if the work is re-proposal, that respondent will be disqualified from 1) further purposing on the work, and 2) doing any work on the contract, either as a subcontractor or in any other capacity.

6. **PROPOSALS TO REMAIN SUBJECT TO ACCEPTANCE** – All proposals will remain subject to acceptance or rejection for ninety (90) calendar days after the day of the proposal opening, but the County may, in its sole discretion, release any proposal and return the proposal security prior to the end of this period.
7. **CONDITIONAL & INCOMPLETE PROPOSALS** - Okaloosa County specifically reserves the right to reject any conditional proposal and proposals which make it impossible to determine the true amount of the proposal.
8. **CONTRACT FOR SERVICES** – A copy of the County's standard agreement for professional services such as the ones being procured herein is attached to this procurement. The successful respondent will be required to enter into the County's standard agreement. It is the responsibility of the Respondent to raise any objections to the terms and conditions of the standard agreement at the time of submitting its response to this RFP. Failure to do so will be considered a waiver of respondent's right to raise it later in the process or during negotiations. In the evaluation and negotiation processes the County has the right in its sole discretion to consider any objections raised by Respondent as part of the determination of most responsible and responsive proposer.
9. **ADDITION/DELETION OF ITEM** – The County reserves the right to add or delete any item from this proposal or resulting contract when deemed to be in the County's best interest.
10. **APPLICABLE LAWS & REGULATIONS** – All applicable Federal and State laws, County and municipal ordinances, orders, rules and regulations of all authorities having jurisdiction over the services shall apply to the proposal throughout, and they will be deemed to be included in the contract the same as though they were written in full therein. Further, from time to time the County may be eligible to obtain State or Federal grant funding for some of the services provided hereunder the requirements of the grants will be applicable to the services rendered.
11. **DISQUALIFICATION OF RESPONDENTS** - Any of the following reasons may be considered as sufficient for the disqualification of a respondent and the rejection of its proposal:
  - a. Submission of more than one proposal for the same work from an individual, firm, agency, or corporation under the same or different name.
  - b. Evidence that the respondent has a financial interest in the firm of another respondent for the same work.
  - c. Evidence of collusion among respondents. Participants in such collusion will receive no recognition as respondents for any future work of the County until such participant has been reinstated as a qualified respondent.
  - d. Uncompleted work which in the judgment of the County might hinder or prevent the prompt completion of additional work if awarded.
  - e. Failure to pay or satisfactorily settle all bills due for labor and material on former contracts in force at the time of advertisement of proposals.
  - f. Default under previous contract.
  - g. Listing of the respondent by the Federal Government on its barred/suspended vendor list.

12. **AWARD OF CONTRACT -**

**Okaloosa County Review** - Okaloosa County appointed selection committee consisting of the constitutional officers, shall review all proposals and will participate in the recommendations to the Board of County Commissioners. The Board of County Commissioners shall make final determination on any award of Contract.

The contract shall be awarded to the responsible and responsive respondent(s) whose proposal is determined to be the most advantageous to the County, taking into consideration the price and other criteria set forth in the request for proposals. The County reserves the right to reject any and all proposals or to waive any irregularity or technicality in proposals received. The County shall be the sole judge of the proposal and the resulting negotiated agreement that is in its best interest and its decision shall be final.

Okaloosa County reserves the right to waive any informalities or reject any and all proposals, in whole or part, to utilize any applicable state contracts in lieu of or in addition to this proposal and to accept the proposal that in its judgment will best serve the interest of the County.

Okaloosa County specifically reserves the right to reject any conditional proposals and proposals which make it impossible to determine the true amount of the proposal.

13. **PAYMENTS** – The respondent shall be paid upon submission of invoices and approval of acceptance by Okaloosa County Board of County Commissioners, Finance Office, 302 N. Wilson St., #203, Crestview, FL 32536, for the prices stipulated herein for services rendered. All invoices must show the Contract #. Invoices for fees or other compensation must be submitted in sufficient detail to demonstrate compliance with the terms of this procurement and resulting contract.
14. **DISCRIMINATION** - An entity or affiliate who has been placed on the discriminatory vendor list may not submit a proposal on a contract to provide goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit proposals on leases of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity.
15. **PUBLIC ENTITY CRIME INFORMATION** - Pursuant to Florida Statute 287.133, a respondent may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.
16. **CONFLICT OF INTEREST** - The award hereunder is subject to the provisions of Chapter 112, Florida Statutes. All respondents must disclose with their proposals the name of any officer, director, or agent who is also a public officer or an employee of the Okaloosa Board of County Commissioners, or any of its agencies. Furthermore, all respondents must disclose the name of any County officer or employee who owns, directly or indirectly, an interest of five percent (5%) or more in the firm or any of its branches.

**Note: For respondent's convenience, this certification form is enclosed and is made a part of the proposal package.**

17. **RECYCLED CONTENT INFORMATION** - In support of the Florida Waste Management Law, respondents are encouraged to supply with their proposal any information available regarding recycled material content in the products proposal. The County is particularly interested in the type of recycled material used (such as paper, plastic, glass, metal, etc.) and the percentage of recycled material contained in the product. The County also requests information regarding any known or potential material content in the product that may be extracted and recycled after the product has served its intended purpose.

**Note: For respondent's convenience, this certification form is enclosed and is made a part of the proposal package.**

18. **REORGANIZATION OR BANKRUPTCY PROCEEDINGS** – Proposals will not be considered from respondents who are currently involved in official financial reorganization or bankruptcy proceedings.

19. **INVESTIGATION OF RESPONDENT** – The County may make such investigations, as it deems necessary to determine the stability of the respondent to perform the work and that there is no conflict of interest as it relates to the project. The respondent shall furnish to the Owner any additional information and financial data for this purpose as the County may request.

20. **CONE OF SILENCE** - The Okaloosa County Board of County Commissioners has established a solicitation silence policy (Cone of Silence Clause) that prohibits oral and written communication regarding all formal solicitations for goods and services (formal bids, Request for Proposals, Requests for Qualifications) issued by the Board through the County Purchasing Department. The period commences from the date of advertisement until award of contract. All communications shall be directed to the Purchasing Department.

**Note: For respondent's convenience, this certification form is enclosed and is made a part of the proposal package.**

21. **COMPLIANCE WITH FLORIDA STATUTE 119.0701** - The Respondent shall comply with all the provisions of section 119.0701, Florida Statutes relating to the public records which requires, among other things, that the Respondent: (a) Keep and maintain public records; (b) Provide the public with access to public records on the same terms and conditions that the public agency would provide the records; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (d) Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the respondent upon termination of the contract.

22. **PROTECTION OF RESIDENT WORKERS** – The Okaloosa County Board of County Commissioners actively supports the Immigration and Nationality Act (INA) which includes provisions addressing employment eligibility, employment verifications, and nondiscrimination. Under the INA, employers may hire only persons who may legally work in the United States (i.e., citizens and nationals of the U.S.) and aliens authorized to work in the U.S. The employer must verify the identity and employment eligibility of anyone to be hired, which includes completing the Employment Eligibility Verifications. The respondent shall establish appropriate procedures and controls so no services or products under the Contract Documents will be performed or manufactured by any worker who is not legally eligible to perform such services or employment. Okaloosa County reserves the right to request documentation showing compliance with the requirements.

Respondents doing construction business with Okaloosa County are required to use the Federal Government Department of Homeland Security's website and use the E-Verify Employment Eligibility Verifications System to confirm eligibility of all employees to work in the United States.

23. **SUSPENSION OR TERMINATION FOR CONVENIENCE** - The County may, at any time, without cause, order Respondent in writing to suspend, delay or interrupt the work in whole or in part for such period of time as the County may determine, or to terminate all or a portion of the Contract for the County's convenience. Upon such termination, the Contract Price earned to the date of termination shall be paid to Respondent, but Respondent waives any claim for damages, including loss of profits arising out of or related to the early termination. Those Contract provisions which by their nature survive final acceptance shall remain in full force and effect. If the County orders a suspension, the Contract price and Contract time may be adjusted for increases in the cost and time caused by suspension, delay or interruption. No adjustment shall be made to the extent that performance is, was or would have been so suspended, delayed or interrupted by reason for which Respondent is responsible; or that an equitable adjustment is made or denied under another provision of this Contract.
24. **FAILURE OF PERFORMANCE/DELIVERY** - In case of default by the respondent, the County after due notice (oral or written) may procure the necessary supplies or services from other sources and hold the respondent responsible for difference in cost incurred. Continuous instances of default shall result in cancellation of the contract and removal of the respondent from the proposal list for duration of one (1) year, at the option of the County.
25. **AUDIT** - If requested, respondent shall permit the County or an authorized, independent audit agency to inspect all data and records of respondent relating to its performance and its subcontracts under this contract from the date of the contract through three (3) years after the expiration of contract.
26. **EQUAL EMPLOYMENT OPPORTUNITY; NON-DISCRIMINATION** – Respondent will not discriminate against any employee or an applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age, familial status or handicap.
27. **NON-COLLUSION** – Respondent certifies that it has entered into no agreement to commit a fraudulent, deceitful, unlawful or wrongful act, or any act which may result in an unfair advantage over other respondents. See Florida Statute 838.22.
28. **UNAUTHORIZED ALIENS/PATRIOT'S ACT** – The knowing employment by respondent or its subcontractors of any alien not authorized to work by the immigration laws is prohibited and shall be a default of the contract. In the event that the respondent is notified or becomes aware of such default, the respondent shall take steps as are necessary to terminate said employment with 24 hours of notification or actual knowledge that an alien is being employed. Respondent's failure to take such steps as are necessary to terminate the employment of any said alien within 24 hours of notification or actual knowledge that an alien is being employed shall be grounds for immediate termination of the contract. Respondent shall take all commercially reasonable precautions to ensure that it and its subcontractors do not employ persons who are not authorized to work by the immigration laws.
29. **CERTIFICATE OF GOOD STANDING FOR STATE OF FLORIDA**

Florida Statute 607.1501 requires that all vendors who wish to do business in the State of Florida be licensed to do business through the Department of State of Florida and be in good standing with the State of Florida. As such, to do business with Okaloosa County a vendor must provide a Certificate of Good Standing with their bid/proposal package to the County. For more information on doing business

in the State of Florida, please refer to the Florida Department of State. The website to register is <https://dos.myflorida.com/sunbiz>.

30. **The following documents are to be submitted with the proposal packet:**

- A. Drug-Free Workplace Certification
- B. Conflict of Interest Disclosure Form
- C. Federal E-Verify Compliance Certification
- D. Cone of Silence
- E. Indemnification and Hold Harmless
- F. Company Data
- G. Addendum Acknowledgement
- H. Certification Regarding Lobbying
- I. Government-wide Debarment, Suspension
- J. System of Award Management
- K. Vendors on Scrutinized List
- L. Grant Funded Clauses
- M. List of References
- N. Certificate of Good Standing State of Florida - see number 29
- O. Sworn Statement – Public Entity Crimes





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## REQUEST FOR PROPOSALS (RFP) & RESPONDENT'S ACKNOWLEDGEMENT

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**RFP TITLE:**

Professional Auditing Services

**RFP NUMBER:**

RFP BCC 28-22

**ISSUE DATE:**

March 28, 2022

**LAST DAY FOR QUESTIONS:**

April 11, 2022 3:00 P.M. CT

**RFP DUE DATE & TIME:**

April 22, 2022 3:00 P.M. CT

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**NOTE: PROPOSALS RECEIVED AFTER THE PROPOSAL OPENING DATE & TIME WILL NOT BE CONSIDERED.**

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Okaloosa County, Florida solicits your company to submit a proposal on the above referenced goods or services. All terms, specifications and conditions set forth in this RFP are incorporated into your response. A proposal will not be accepted unless all conditions have been met. All proposals must have an authorized signature in the space provided below. All proposals must be submitted electronically by the time and date listed above. Proposals may not be withdrawn for a period of ninety (90) days after the proposal opening unless otherwise specified.

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**RESPONDENT ACKNOWLEDGEMENT FORM BELOW MUST BE COMPLETED, SIGNED, AND RETURNED AS PART OF YOUR PROPOSAL. PROPOSALS WILL NOT BE ACCEPTED WITHOUT THIS FORM, SIGNED BY AN AUTHORIZED AGENT OF THE RESPONDENT.**

---

COMPANY NAME Warren Averett, LLCMAILING ADDRESS 45 Eglin Parkway N.E., Suite 301CITY, STATE, ZIP Fort Walton Beach, FL 32548FEDERAL EMPLOYER'S IDENTIFICATION NUMBER (FEIN): 45-4084437TELEPHONE NUMBER: 850.275.1224

EXT: \_\_\_\_\_

FAX: 850.664.2562EMAIL: Angela.Balent@warrenaverett.com

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I CERTIFY THAT THIS PROPOSAL IS MADE WITHOUT PRIOR UNDERSTANDING, AGREEMENT, OR CONNECTION WITH ANY OTHER RESPONDENT SUBMITTING A PROPOSAL FOR THE SAME MATERIALS, SUPPLIES, EQUIPMENT OR SERVICES, AND IS IN ALL RESPECTS FAIR AND WITHOUT COLLUSION OR FRAUD. I AGREE TO ABIDE BY ALL TERMS AND CONDITIONS OF THIS PROPOSAL AND CERTIFY THAT I AM AUTHORIZED TO SIGN THIS PROPOSAL FOR THE RESPONDENT.

AUTHORIZED SIGNATURE: Angela D. Balent  
OR PRINTED NAMETYPED Angela D. Balent, CPATITLE: MemberDATE 04.22.2022

**NOTICE TO RESPONDENTS**  
**RFP BCC 28-22**

Notice is hereby given that the Board of County Commissioners of Okaloosa County, FL, will accept sealed proposals until **3:00 p.m. (CST) April 22, 2022**, for **Professional Auditing Services**.

Interested respondents desiring consideration shall submit their response online at Vendor Registry through the link provided below:

<https://vrapp.vendorregistry.com/Bids/View/BidsList?BuyerId=21d474a1-e536-4f4d-9f2c-77c3b1e3c683>

Unless otherwise stipulated in the proposal description, all responses must be submitted using Vendor Registry only. No other means of submission of responses will be accepted. Responses will be accepted by Vendor Registry until **3:00 p.m. CST April 22, 2022**, at which time all proposals that are timely submitted will be opened and reviewed.

The County reserves the right to award to the firm submitting a responsive proposal with a resulting negotiated agreement that is most advantageous and in the best interest of Okaloosa County, and to waive any irregularity or technicality in proposals received. Okaloosa County shall be the sole judge of the resulting negotiated agreement that is in its best interest and its decision will be final.

For information regarding this solicitation please contact:

DeRita Mason, Sr. Contracts and Lease  
Coordinator  
850-589-5960  
dmason@myokaloosa.com

\_\_\_\_\_  
Jeff Hyde  
Purchasing Manager

\_\_\_\_\_  
Date

OKALOOSA COUNTY  
BOARD OF COUNTY COMMISSIONERS

Mel Ponder  
Chairman

# Proposal to Serve



RFP BCC 28-22  
Professional Auditing Services  
April 22, 2022

**Proposer**

Warren Averett, LLC  
45 Eglin Parkway, N.E., Suite 301  
Fort Walton Beach, FL 32548  
850.244.5121

**Submitted by**

Angela D. Balent, CPA  
[Angela.Balent@warrenaverett.com](mailto:Angela.Balent@warrenaverett.com)  
850.275.1224

J. Adam Nelson, CPA  
[Adam.Nelson@warrenaverett.com](mailto:Adam.Nelson@warrenaverett.com)  
850.357.8727



The information in this document is privileged and confidential and is protected by the attorney-client privilege. Any disclosure, dissemination, distribution or copying of this communication without the express permission of Warren Averett is strictly prohibited.

April 22, 2022

Audit Selection Committee  
Okaloosa County Purchasing Department  
5479A Old Bethel Road  
Crestview, FL 32536

## **Response to RFP BCC 28-22 – Professional Auditing Services**

Warren Averett, LLC is proud to be Okaloosa County's auditor and advisor. Over our tenure, we have interfaced with multiple county commissioners, constitutional officers and finance team members. We have assisted County personnel in navigating the adoption of numerous accounting standards, accounting for items such as natural disasters and enabling legislation and provided advice on topics ranging from fund balance policy to inventory controls. Deliverables have been on time and with a **no-surprises** approach, so management and the Board are well informed about findings communicated. Responsiveness to requests for assistance is immediate. When the County needs Warren Averett, we bring our specialized knowledge and **bench strength** to tackle any problem.

The Warren Averett approach to auditing units of government in Florida is simply different. We are targeted in our recommendations and provide ongoing practical advice to advance the County's financial goals and objectives. All of our auditors assigned to Okaloosa County, from Member to Associate, are licensed CPAs and have prior experience auditing Okaloosa County to include the Board and Constitutional Officers. The County's operations are complex and interrelated. In addition to providing traditional government services the County operates three airports, a convention center, solid waste disposal, provides water and sewer services and emergency medical services. Grant funding has grown exponentially with funds available due to the pandemic and BP oil spill. Multiple construction projects are underway along with the expansion of the TDD district. While Okaloosa County may be considered a mid-size county based on population, it is far from that in terms of activity. Audit methodologies emphasize using knowledge of an entity to make risk assessments in a financial statement audit. That is why our knowledge based on living in Okaloosa County and our previous experience auditing the County and other Northwest Florida governmental entities is so important in a risk-based approach. We have the knowledge to focus audit efforts on those areas that are most significant and pose the most risk of material misstatement.

To ensure we maintain our commitment to quality and service, we are continuing to propose to incorporate a unique arrangement which would include two engagement team members providing the overall management and oversight of the County's audit. Studies in two **peer-reviewed journals** of the American Accounting Association found little to no evidence that the fresh looks from the rotation of audit firms or engagement partners make for improved audits, and some evidence even emerged of a decrease in audit quality and client knowledge by assigning a new engagement partner or audit firm. Our arrangement allows us to incorporate elements of change in the audit approach, while ensuring we provide the County with the highest level of both audit quality and client service.

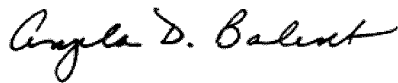
We understand the scope of work as defined in the request for proposal and confirm that all deliverables will be provided on time as demonstrated in our history of service delivery. Our no-surprises approach is fundamental to our audit and we will continue to meet with management and the Board throughout the engagement. We stand ready to assist the County with **deep institutional knowledge** of the County's finance function coupled with extensive knowledge of Florida governments. The Gulf Coast offices of Warren Averett currently audit **40 units of local government** to include 14 cities, 3 counties, 15 constitutional officers and 8 special districts.

Warren Averett provides the County with the experience and technical resources of a national firm, yet our **historic local roots** and traditions provide clients with a superior level of personal attention and service. The team assigned to the County's audit live, work and play in Okaloosa County and proudly call it home. Our team members show their pride and love for the local community by serving on local, nonprofit organization boards and volunteering and participating in local events together as an office. Our Fort Walton Beach office participates in local volunteer initiatives throughout the Okaloosa County community each year—from a volunteer day with a local animal shelter, to a blood or clothing drive. We actively participate in the Destin Chamber of Commerce, the Greater Fort Walton Beach Chamber of Commerce, One Okaloosa EDC, United Way of Okaloosa County, the Emerald Coast Science Center and many other local organizations.

The County is a valuable client of our firm and we genuinely appreciate this opportunity to serve you.

Please feel free to contact us with any questions.

Sincerely,



Angela D. Balent, CPA

Dated: April 22, 2022

45 Eglin Parkway, N.E., Suite 301  
Fort Walton Beach, FL 32548  
850.275.1224



J. Adam Nelson, CPA

Dated: April 22, 2022

45 Eglin Parkway, N.E., Suite 301  
Fort Walton Beach, FL 32548  
850.357.8727

Warren Averett, LLC

45 Eglin Parkway, N.E., Suite 301  
Fort Walton Beach, FL 32548  
850.244.5121

Warren Averett is a limited liability company.

“Our promise and mission is to help you thrive and accomplish more of what's important to you, always.

*We do that by being on and at your side.”*

Mary Elliott, CEO  
WARREN AVERETT

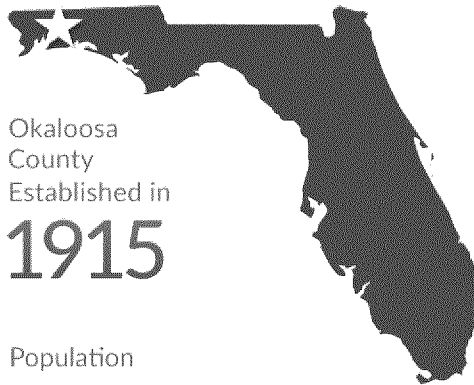
## Table of Contents

About Okaloosa County	5
Why Warren Averett	9
1. Mandatory Elements	10
a. Independence	10
b. License to Practice in Florida	10
c. Continuing Professional Education	10
d. Quality Control Review	12
2. Technical Qualifications	14
a. Expertise and Experience	14
b. Specific Audit Approach	37
c. Identification of Anticipated Audit Problems	47
d. Report Format	48
Additional Information	60
The Warren Averett Difference	61
Connect, Communicate and Learn More	62
Thrive Every Day	63
Required Forms	64



## About Okaloosa County

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Okaloosa  
County  
Established in

**1915**

Population

**212,000**

**5 million** Visitors

**1,082** Square Miles

**870** Miles of Maintained Roads

**239,377** Public Safety Calls

**\$2.9 Billion** in Visitor Spending

**94,116** Labor Force

**10,775** Business Establishments

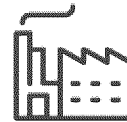


**3** Military Installations



**3** Airports

**7** Industrial Parks



**48** Parks and Recreational Sites

**\$570M** Annual Tax Revenues from Tourism Spending

**34** Years awarded GFOA Certificate of Achievement in Financial Reporting



### BEST ATTRIBUTES

- Family-friendly destination
- World-class Gulf-to-table seafood
- Beautiful white sand beaches
- Crystal clear waters
- Proud military partner
- Revitalized downtowns

Sources: 2020 Okaloosa County Comprehensive Annual Financial Report (ACFR), [www.okaloosasites.com](http://www.okaloosasites.com), One Okaloosa EDC website, Okaloosa County website and misc.

## LOCAL COMPANIES

It's no question why several businesses have made their home in Okaloosa County, and it's not just the sugar white beaches and great weather. Home of the largest military installation in the Department of Defense, Okaloosa is the epicenter of a high-tech defense and aerospace industry. The County is committed to continual growth and diversification through existing industry retention, expansion, workforce development and expansion of key industry clusters.



## TOP 10 PRIVATE SECTOR EMPLOYERS

Some of the top largest defense contractors in Florida have a presence in Okaloosa County—and the top 10 private sector employers echo the largest industries: defense, aerospace-related, healthcare and tourism.

Employer	Number of Employees
Fort Walton Beach Medical Center	1,300+
Publix	1,000+
Lockheed Martin	900+
Reliance Test & Technology	700+
North Okaloosa Medical Center	600+
Boeing	500+
White Wilson Medical Center	400+
Eglin Federal Credit Union	350+
Crestview Aerospace LLC	300+
Harborwalk Hospitality LLC	200+

Sources: 2020 Okaloosa County Comprehensive Annual Financial Report (ACFR), [www.okaloosasites.com](http://www.okaloosasites.com), One Okaloosa EDC website, Okaloosa County website and misc.



## COMPETITIVE EDGE

With over 952 professional, scientific and technical businesses, Okaloosa County is a leading technology hub in Northwest Florida and continues to experience unprecedented growth in diverse technology-based industries.

## EDUCATION OF OUR POPULATION



49.6%

Have a High School  
Diploma or  
Some College

31.12%

Have a Bachelor's or  
Associate's Degree

11.82%

Have a Graduate  
Degree

## OKALOOSA SCHOOLS

The County's public schools consistently earn high grades from the state, and the school district has achieved a larger share of "A" rated schools than the rest of the state's 67 counties.

82.4%

Combined  
Graduation Rate



26

Average  
ACT Score



61%

Students in  
AP Courses



## QUALITY OF LIFE

**Southern Living**

Best Beach Towns in the South



Best Family Vacations  
in the USA



Sources: 2020 Okaloosa County Comprehensive Annual Financial Report (ACFR), [www.okaloosasites.com](http://www.okaloosasites.com), One Okaloosa EDC website, Okaloosa County website and misc.

## Warren Averett in Okaloosa County

**800+**  
EMPLOYEES

**15** OFFICE  
LOCATIONS

**ALABAMA** Anniston | Birmingham | Cullman  
Foley | Huntsville | Mobile | Montgomery

**FLORIDA** Destin | Fort Walton Beach  
Panama City | Pensacola | Tampa

**GEORGIA** Atlanta

**TEXAS** Houston

**CAYMAN ISLANDS** Grand Cayman

Established in  
Okaloosa  
County in  
**1956**

**2** Locations in  
Okaloosa County  
and

**5** in the Gulf  
Coast Region 

**65+** Team members in  
our Fort Walton  
Beach and Destin  
offices

### SHARING OUR SUCCESS

Our team is good at what they do. But clients also appreciate our shared dedication to do good in our communities. That's part of the reason we reward Warren Averett team members who contribute personal time to charitable and community causes. But the real reason we're so committed to the communities in which we live, work and play: it feels good to give back. Here are a few organizations in which our team is involved locally:

- All Sports Association
- Building Industry Association of NW Florida
- Coast Aquatics
- Destin Chamber of Commerce
- Emerald Coast Science Center
- Florida's Great Northwest
- Fort Walton Beach Rotary
- Greater Fort Walton Beach Chamber of Commerce
- Mattie Kelly Arts Foundation
- Niceville Valparaiso Chamber of Commerce
- North Gulf Coast Chapter of Community Associations Institute
- Northwest Florida State College Board of Trustees
- One Okaloosa EDC



Let's Thrive Together [www.warrenaverett.com](http://www.warrenaverett.com)

## Why Warren Averett?

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While Warren Averett can benefit Okaloosa County in many areas, here are some key ways we can help:

### 1 **Industry Expertise**

Warren Averett has built a talented team experienced in serving complex organizations like Okaloosa County. A cookie-cutter approach is never an option, especially for an organization like yours. We believe that our team is not only highly qualified to do the work, but that our firm's experts are positioned to go above and beyond in offering forward thinking advice so that you always have the resources you need to succeed. Our Public Sector Practice Group is comprised of more than 100 team members—the strength and size of our team allows us to help you navigate a multitude of situations, including disaster relief, COVID-19 funding, lease standard implementation and more unique situations that are top of mind for the County.

### 2 **Responsive, Timely and Flexible—With a Local Presence**

Your team members can call on us when needed, and trust that we will be responsive to your needs—including **meeting live and in person** within one business day. You will be served by our Fort Walton Beach office, which is just 3.5 miles away from your County offices in Shalimar. Our proactive and frequent communication with the Board and management allows our advisors to guide you through change and growth. We work hard to provide timely and relevant reporting and guidance to you so that you can focus on what you do best.

### 3 **Shared Values**

With numerous clients in the governmental space, we are not only experts—we have a heart for helping our clients achieve their mission to help improve the quality of life for their citizens. Over the years, we've learned that community means most—not just when we talk about it—but when we put our values into action. Our culture at Warren Averett embraces making a difference in our local communities—from office-wide volunteering projects to serving on various Boards of local nonprofits. We truly care about what you do for our community.

### 4 **A Client of the Whole Firm**

At Warren Averett, Okaloosa County is considered a client of the firm...**the whole firm**...not just a client of one office or the individuals working on your account. All of our "firm" resources are available, not just audit and tax services. We can also bring in other resources such as business process reviews, IT General Controls examinations, cybersecurity consulting and other business advisory services.

### 5 **Collaborative and Straightforward**

Working with Warren Averett is easy: we do not obscure our fees, our Members are highly engaged and our intuitive portal—Warren Averett Connect—keeps your team and ours on the same page throughout the entire process.

### 6 **Engagement Continuity—With a Fresh Perspective**

We have built deep institutional knowledge of Okaloosa County over the decades, and our proposed engagement co-leadership allows us to incorporate elements of change in our approach while maintaining excellent quality. While our supervisory and management staff will remain constant, we are passionate about instilling our investment in integrity and continual improvement in the next generation of accountants and advisors, so that you always have a **fresh set of eyes and a unique, innovative perspective**.

# 1. MANDATORY ELEMENTS

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## **a. Independence**

Warren Averett is independent of Okaloosa County, Florida and its management as defined by generally accepted auditing standards and the U.S. General Accounting Office's Governmental Auditing Standards. Annually, Warren Averett requires all Members and client service professionals to confirm in writing that they have no relationships or holdings that would impair our independence with regard to our clients. Our independence policies are routinely monitored by the Quality Control Member to ensure continued compliance. Warren Averett is also independent of all agencies and component units of Okaloosa County as defined by generally accepted auditing standards and the U.S. General Accounting Office's Governmental Auditing Standards.

The firm has been the auditor for Okaloosa County and its agencies/component units during the past five (5) years. These professional relationships or business dealings with either the County or key County personnel do not constitute a conflict of interest relative to performing the proposed audit. Our independence allows us to perform your audit with the highest levels of objectivity and integrity.

## **b. License to Practice in Florida**

Warren Averett and all assigned key professional staff are properly licensed as Certified Public Accountants in the State of Florida.

## **c. Continuing Professional Education**

Our firm places great emphasis on continuing education, keeping abreast of industry news and working to ensure and retain our position as a leader of our field. This emphasis often manifests itself through training and development offered to our team and our clients. At Warren Averett, we have an internal department dedicated to learning and professional development that ensures each employee is up to date on all educational credits. This department also informs employees of opportunities to attend online trainings that apply to the employee's industry expertise; this ensures that all of our employees are keeping a pulse on ways to further their expertise and to become more effective and informed—allowing training and continuing education to constantly be top of mind for our team.

We readily exceed the State of Florida and GAO's biennial CPE hour requirements through a variety of external and internal programs. Warren Averett affirms that all professional personnel have received adequate continuing professional education (CPE), as required under Government Auditing Standards, within the preceding two (2) years. Our commitment is further demonstrated in the fact that Warren Averett has a full-time Director of Professional Development to oversee our continuing education efforts. Continuing professional education for team members is directed towards developing their skills to the fullest extent possible in their respective areas of practice. Over two-year increments, our audit professionals receive at least 80 hours of continuing professional education that directly enhance their professional proficiency to perform audits and/or attestation engagements, as well as meet extensive Yellow Book governmental requirements.

These subjects directly relate to the government environment, government auditing or the unique environment in which the audited entity operates. As a large firm, we are able to routinely take advantage of multiple avenues of learning opportunities to provide for those educational requirements. Those avenues include audit education provided by our alliance memberships, biweekly alert newsletters, internal instruction provided by our own Audit management team, seminars by external vendors and annual in-house seminars by nationally recognized professional audit educators.

### Client Educational Opportunities

Warren Averett hosts several public sector-specific educational courses, led by internal and external experts in the audit and governmental arenas, which are offered selectively to our public sector clients. These courses are in addition to relevant public sector articles, podcasts and more shared through our Insights blog, social media and newsletters throughout the year.



The County will continue to have the opportunity to attend conferences\* such as:

- Our annual **Accounting Trends Update** which is offered to all clients at no cost. Presenters have included content on new accounting standards for governmental entities.
- Our **Accounting Forum for Public Sector: Key Updates for Nonprofits, Educational and Governmental Institutions**, offering the opportunity to earn up to ten hours of CPE credits with multiple sessions throughout the week. This event was provided at no cost to our clients.

*\*Conferences were converted to a virtual platform in FY2020 and FY2021 due to the COVID-19 pandemic.*

A highlight of each individual's related governmental CPE is included within the team qualifications section. Detailed listings of CPE to include date, sponsor, course name and type are available through our CPE report software and can be provided electronically upon request.



Roundtables



Newsletters



Thought Leadership



CPE

Completing a Single Audit? Watch Out for These Six Common Mistakes

5 Challenges of Managing Remote Employees (And Solutions to Overcome Them)

Using Data to Create an Infrastructure of Success

A Blueprint for Building the Ideal Nonprofit Board of Directors

How the CARES Act Can Help Nonprofits Continue to Thrive

Accounting for PPP Loan Activity by Nonprofit Organizations

Presentation of Restricted Cash and Cash Equivalents in the Statement of Cash Flows

Phishing Prevention [How to Keep your Company's Data Safe From Hackers]

An Employee Retention Strategy That Won't Drain Funds: 3 Elements to Consider

The Three Most Significant Changes to the Nonprofit Financial Reporting Landscape

#### **d. Quality Control Review**

##### **Peer Review**

Warren Averett is respected as an industry leader in developing and adhering to quality review standards, and we have received a rating of “pass,” which is the highest level of assurance that can be provided, from every independent peer review team that has visited our firm. Our last peer review was conducted in 2019 by Henderson Hutcherson & McCullough, PLLC of Chattanooga, Tennessee. **We did not receive a letter of comments.**

Our peer review reports no significant weaknesses and confirms that our systems of internal quality controls provide assurance of quality audit work and assurance that our professionals take their responsibility to adhere to the profession’s standards seriously. These peer reviews further support our view that our engagements evidence a high degree of Member participation. The hands-on attitude and involvement of Members permit us to deal with critical issues quickly and decisively and to communicate with client management in a timely manner.

Henderson Hutcherson’s report is provided on the following page. Warren Averett received the highest possible peer review rating. **This quality control review also included a review of specific governmental engagements.**

##### **Federal or State Desk Reviews**

Each year, many of our audits are subject to desk reviews by the various grantors and governmental agencies that provide funding to our clients. Those reviews have not resulted in any correspondence or letters of comment regarding non-compliance with state or federal reporting requirements.

##### **Disciplinary Action**

We take great pride in the fact that our firm has never had any sanctions or other disciplinary action taken relative to performance of audit work.

## Peer Review Report



### Report on the Firm's System of Quality Control

December 31, 2019

To The Partners of Warren Averett LLC and the National Peer Review Committee of the AICPA.

We have reviewed the system of quality control for the accounting and auditing practice of Warren Averett LLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System review as described in the standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

#### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, an audit performed under FDICIA, an audit of a broker-dealer, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Warren Averett LLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency* or *fail*. Warren Averett LLC has received a peer review rating of *pass*.

*Henderson Hutcherson  
& McCullough, PLLC*

1200 Market Street, Chattanooga, TN 37402 | T 423.756.7771 | F 423.265.8125

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## 2. TECHNICAL QUALIFICATIONS

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### a. Expertise and Experience

#### Size of Firm

When your accounting firm behaves more like a financially-minded business advisor than a transactional vendor, your institution benefits throughout the year—not just during typical financial deadlines. Warren Averett takes care of the details, so you can get back to business as usual.



**Consistent  
Support as  
You Change  
and Grow**



**Customized  
Approach**



**Just-Right  
Regional  
Service**



**Leadership  
Available to Every  
Client**



**Bench Strength  
Through BDO  
Alliance**

**When you work with Warren Averett, you're working with more than just the team on your project. You're a client of the entire firm.** We offer guidance for business improvement and connections where they count. In the end, we're a resource to help you take care of important things in your business.

**Warren Averett, LLC is a nationally recognized accounting and consulting firm.** Whether you're a Fortune 100 company or a local nonprofit, we have the experience for your engagement. From audit, tax planning and compliance to technology consulting and human resources solutions, we listen to your needs and offer solutions.

#### **We have extra support from the BDO Alliance USA.**

Warren Averett is the largest member of the BDO Alliance USA, a nationwide association of accounting, consulting and service firms. Our membership gives us:

- Additional specialty services;
- Niche capabilities;
- Access to personnel resources; and
- The opportunity to work jointly on engagements.

**#6**

*Largest CPA firm  
in the Southeast*

(Source: Accounting Today 2021)

**15**

*Offices*

**800+**

*Employees*

**#38**

*Largest CPA firm  
in the U.S.*

(Source: Accounting Today 2021)





## Size of Firm's governmental staff

**For more than 50 years, Warren Averett has provided auditing and consulting services for units of government.** Warren Averett has a specialized public sector client service team to ensure firmwide that our governmental, higher education and nonprofit clients are served by Members, Senior Managers and team members who specialize in government accounting and auditing. The governmental engagement team selected to serve the County maintains their technical knowledge of industry best practices through specific CPE for the governmental field and on-the-job training. Our Public Sector industry segment generated \$14.2 million of revenues in 2021, making it one of the largest specialized client service teams in the firm.

### GOVERNMENTAL EXPERIENCE AT A GLANCE

**60+ DEDICATED GOVERNMENTAL AUDITORS FIRMWIDE**

**100% ACFR SUCCESS RATE**

**SINGLE AUDITS PERFORMED: 150+**

Warren Averett has been a trusted advisor and external auditor for state and local governmental entities for over 50 years. We are one of the largest providers of audit, accounting and consulting services for governmental entities and nonprofit organizations in the Southeast. Our client base includes counties, cities, water and sewer systems, special districts and other agencies that receive state or federal funding whose audits fall under Government Auditing Standards.

From revenue shortfalls and tax revenue fluctuations to rising healthcare costs and managing deficit spending, many governmental entities are facing mounting financial challenges. Warren Averett has the specialized knowledge to help fill this void and meet the needs of our government clients. We have an established Public Sector Practice Group comprised of more than 100 experienced Members and Managers whose primary focus is on this specific industry.

Our memberships and active participation in the following professional groups solidify our partnerships with governmental entities and ensure that the County will be served by individuals who are extremely knowledgeable in governmental accounting, financial reporting, auditing and grant compliance matters.

- Government Finance Officers Association (GFOA)
- Florida Government Finance Officers Association (FGFOA)
- Government Finance Officers Association of Alabama (GFOAA)
- Association of Government Accountants (AGA)
- American Institute of Certified Public Accountants Governmental Audit Quality Center
- Expert reviewers for the GFOA Certificate of Excellence
- Members of the FICPA State and Local Government Committee
- Regular speakers at educational forums

**100+**

DEDICATED  
GOVERNMENTAL  
AUDITORS  
FIRMWIDE

SERVING MORE  
THAN

**100**

GOVERNMENTAL  
CLIENTS  
THROUGHOUT THE  
SOUTHEAST

**AICPA**<sup>®</sup>

Governmental Audit  
Quality Center Member

Warren Averett takes pride to be a **thought leader** for the profession and our team members are standing speakers for the Florida and Alabama Government Finance Officers Associations (FGFOA/GFOAA) both locally and at the State level. Members also serve on the Boards of Governors for our State CPA Societies in both Florida and Alabama. Our Members are frequently quoted in local and national publications and recognized as business experts and community leaders in all of our markets.

Our firm is also a member of the AICPA Governmental Audit Quality Center. This firm-based voluntary membership center is designed to help with the challenges of performing quality audits in this unique and complex area.

### **Expertise in Auditing Units of Government**

Warren Averett has an industry specialization in accounting and auditing units of government. Angela Balent, CPA, Adam Nelson CPA and Kristen McAllister, CPA (the EQCR reviewer assigned to the County's engagement) are active in the Public Sector client service team. The goals of the Public Sector client service team include education and training on upcoming pronouncements, development of best practices and input to the authoritative standard setters as it relates to new pronouncements. The Public Sector industry segment of the firm has over \$14 million in total billings on an annual basis and as such is well-versed in preparing financial statements in accordance with Governmental Accounting Standards and conducting audits in accordance with Government Auditing Standards. This team is ready to assist with implementation of upcoming GASB pronouncements such as GASB 87, which is the new leasing standard applicable to the audit for the year ending September 30, 2022.

Communicating with governance at the conclusion of the audit process is one of the most important elements of audit finalization and is more challenging in a public setting. With deep experience in auditing public sector clients, we understand the importance of one-on-one meetings which is why we make ourselves available to meet with each elected official prior to the audit presentation to the Board of County Commissioners. Elected officials are tasked with a multitude of responsibilities which is why our audit presentations to governance are tailored to be understandable, relevant and forward-thinking. Angela Balent is part of a team recently engaged as auditors of CHELCO, and the CFO remarked after the briefing it was the best presentation to the Board of Trustees she has heard in her tenure. That is because the team serving CHELCO is a Public Sector team that is accustomed to and experienced in making such presentations to governance in a public setting. We will ensure that governance is briefed on not just required communication but also with strategic information that may be helpful in future decision making.

### **Single Audit Expertise**

Our government audit staff in the Gulf Coast who will be serving the County has extensive experience in the federal and the State of Florida Single Audit. The Federal and State of Florida Act requirements are very comprehensive and require the audits be conducted in accordance with three sets of auditing standards or requirements acceptable to the federal or state grantor agencies. Our governmental audit staff attends specific training on conducting federal and state Single Audits and has extensive experience auditing multiple federal and state award programs.

The list below illustrates a sample of clients in the Gulf Coast region with federally funded programs for whom we provide compliance auditing services and Single Audits which are similar to the County in size and complexity. A total list of our Single Audit clients, which include over **\$2 billion in federal awards and hundreds of millions in state awards audited**, are on the following page.

<b>Governmental Entity</b>	<b>Grant Expenditures (millions)</b>
Escambia County, Florida	\$ 53.3
Okaloosa County, Florida	49.7
Santa Rosa County, Florida	25.7
City of Pensacola, Florida	41.9
City of Fort Walton Beach, Florida	1.8
City of Niceville, Florida	<u>1.4</u>
<b>TOTAL</b>	<b><u>\$ 173.8</u></b>

## Single Audits Performed in 2020

- Alabama Hospital Association
- Alabama Housing Finance Authority
- Alabama Quality Assurance Foundation
- Alabama State Port Authority
- Alabama State University
- Atlanta Community Food Bank, Inc.
- Baptist Health
- Brenau University
- Brewton-Parker College
- CareerSource Escarosa
- Catholic Charities Diocese of St. Petersburg
- Catholic Charities of Northwest Florida
- CDC Foundation
- City of Cullman, Alabama
- City of Fairhope, Alabama
- City of Foley, Alabama
- City of Fort Walton Beach, Florida
- City of Huntsville, Alabama
- City of Madison, Alabama
- City of Montgomery, Alabama
- City of Niceville, Florida
- City of Pensacola, Florida
- Civil Air Patrol
- Community Health Northwest Florida
- Council on Substance Abuse NCADD
- Crisis Center of Tampa Bay, Inc.
- Dental Health Programs, Inc DBA Community Dental Care
- Early Education and Care, Inc.
- Early Learning Coalition of Escambia County
- Early Learning Coalition of the Emerald Coast, Inc.
- East Alabama Healthcare Authority
- Easterseals Central Alabama
- Easterseals West Alabama
- Escambia County, Florida
- Favorhouse of Northwest Florida, Inc
- Gulf Consortium
- Health Services, Inc.
- Information and Quality Healthcare
- Interdenominational Theological Center
- Jerusalem House, Inc.
- Legal Services Alabama, Inc
- MedCura Health, Inc.
- Mobile Airport Authority
- Montgomery Area Comm. Wellness Coalition
- More Than Conquerors, Inc.
- North Broward Hospital District
- Okaloosa County, Florida
- PACE Center for Girls, Inc.
- Partners for Home, Inc.
- Positive Impact Health Centers, Inc.
- Reinhardt University
- Russell Hospital Corporation
- Santa Rosa County, Florida
- Southern Research Institute
- Suncoast Community Health Centers, Inc.
- Three Rivers Regional Commission
- Truett McConnell University
- Tuskegee University
- United Way of Central Alabama, Inc.
- University of Montevallo
- Young Harris College

## Florida County and Municipality Clients



PENSACOLA  
THE UPSIDE OF FLORIDA



### Additional Florida Governmental Clients

- Okaloosa County Tax Collector
- Escambia County Tax Collector
- Santa Rosa County Tax Collector
- Okaloosa County Property Appraiser
- Escambia County Property Appraiser
- Santa Rosa County Property Appraiser
- Okaloosa County Supervisor of Elections
- Escambia County Supervisor of Elections
- Santa Rosa County Supervisor of Elections
- Okaloosa County Clerk of Courts
- Escambia County Clerk of Courts
- Santa Rosa County Clerk of Court
- Blackman Fire District, Florida
- City of DeFuniak Springs, Florida
- City of Fort Walton Beach, Florida
- City of Freeport, Florida
- City of Mary Esther, Florida
- City of Milton, Florida
- City of Niceville, Florida
- City of Valparaiso, Florida
- CareerSource Escarosa
- Downtown Pensacola Improvement Board
- Gulf Consortium
- Midway Fire District
- Mid-Bay Bridge Authority
- Niceville, Valparaiso, Okaloosa County Regional Sewer Board
- Okaloosa Gas District
- Pace Fire District
- South Walton County Mosquito Control District
- South Walton Fire District
- Triumph Gulf Coast
- Town of Cinco Bayou, Florida
- Town of Century, Florida
- Town of Ponce de Leon, Florida
- Town of Shalimar, Florida

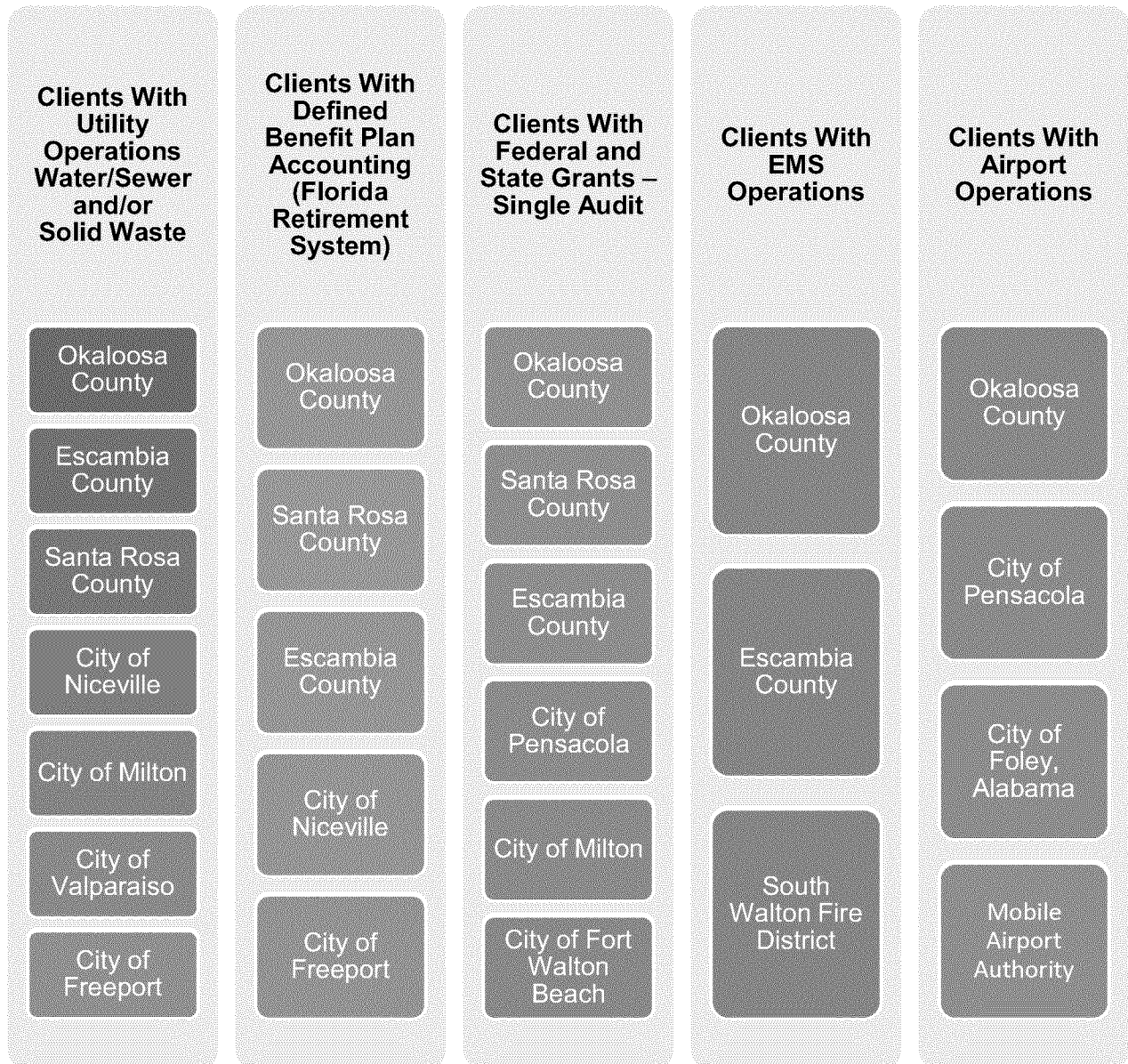
**Warren Averett has significant experience and depth in serving public sector clients. Our Gulf Coast Division audited 40 units of government during 2021 including multiple federal and/or state Single Audits and eight entities that produce an ACFR.** Our Public Sector Practice Group extends beyond Florida allowing the auditors who serve this sector to specialize in continuing professional education and emerging issues specific to units of government.

Leadership in the Gulf Coast offices of Warren Averett, LLC are very deliberate in our audit strategy. We want to serve clients in the four-county footprint of Escambia, Santa Rosa, Okaloosa and Bay where we have local presence, and we have been extremely successful in the implementation of that strategy. There are multiple factors incorporated into that decision but it's really about **knowledge, relationships and retaining talent**. We know to perform an effective audit you must have deep knowledge of the entity and the community in order to focus audit efforts on those areas that pose the most risk of material misstatement so we choose to serve clients where we live. In order to be a trusted advisor and to help advance change in an organization, it's important to have relationships with management and governance that are developed over years of business and outside interaction, which is why we are so engrained in community service. Finally, our people, our talent, is our most valuable asset. We go above and beyond to provide a workplace that is flexible and family-friendly to provide our team the best possible experience. Our goal is to limit out-of-town travel to the extent possible when serving clients. Other firms might list more clients, but for Warren Averett it's about the **quality of services** we provide based on our strategy rather than the quantity of governmental entities served.

## **Other Firm Representative Clients**

- Alabama Housing Finance Authority, a component unit of the State of Alabama
- Alabama State Bar Foundation
- Alabama State Port Authority
- Alabama State University, a component unit of the State of Alabama
- City of Anniston, Alabama
- City of Ashland, Alabama
- City of Cullman, Alabama
- City of Decatur, Alabama
- City of Dunwoody, Georgia
- City of Evergreen, Alabama
- City of Fairhope, Alabama
- City of Foley, Alabama
- City of Goodwater, Alabama
- City of Madison, Alabama
- City of Montgomery, Alabama
- City of Piedmont, Alabama
- City of Selma, Alabama
- City of Sylacauga, Alabama
- City of Talladega, Alabama
- City of Temple, Georgia
- City of Tuscaloosa, Alabama
- Cullman-Jefferson Counties Gas District
- Georgia Development Authority
- Jefferson County, Alabama
- Mobile Airport Authority
- Spanish Fort Water System
- Town of Eclectic, Alabama
- Town of Loxley, Alabama
- West Autauga Water Authority

Your local team is experienced in complex areas specific to the County's financial operations, such as enterprise utility services, airport operations and federal and state assistance programs, as shown in the graphic below.



### **Office Location From Which Work Is To Be Performed**

The County audit will be managed from the Fort Walton Beach office, located at 45 Eglin Parkway, N.E., Suite 301, Fort Walton Beach, Florida. **Our office is just 3.5 miles to your Okaloosa County offices in Shalimar** and we are **always available** to meet in person within one business day. Staffing resources will be provided from the Gulf Coast offices of Warren Averett. The team is well trained in the auditing of Florida governmental entities and those with unique federal and state audit requirements. Approximately 123 team members are located in our Gulf Coast offices, including 23 Members, 15 Managers and 15 Supervisors.

### **Number and Nature of the Professional Staff To Be Employed on a Full-Time Basis**

Throughout the Great Resignation we have been able to retain and enhance our Audit team. All the auditors assigned to the County audit from Member to Associate are licensed CPAs and have prior experience auditing Okaloosa County to include the Board and the Constitutional Officers. **No other CPA firm can match our knowledge of Okaloosa County and its operations.** We focus our audit strategy on serving Northwest Florida governments, so our team members work where they live, allowing them to thrive in both their professional and personal lives. The engagement team will consist of the following:

- **Engagement Audit Members** – Angela D. Balent, CPA and J. Adam Nelson, CPA
- **Engagement Quality Control Member** – Kristen McAllister, CPA, CGFM
- **IT Member** – Kevin Bowyer, CPA, CITP, CISA, CDPSE
- **Fraud and Forensics Member** – Tammy McGaughy, CPA/ABV, CFF, CFE
- **Engagement Manager** – Chelsea James, CPA
- **Engagement Senior/Staff**
  - Kendra Byford, CPA
  - Destiny Lodge, CPA
  - Sloane Pickett, CPA
  - Kimy Sarra, CPA

There will be ten team members assigned to the County's audit and all are employed on a full-time basis. The team assigned to the County are all licensed certified public accountants. We ensure our team members are adequately informed of annual changes to the public sector industry and receive regulations training specific to the state of Florida. Therefore, your audit team will be appropriately trained on compliance and regulation requirements from Florida Statutes and the Florida Auditor General. We maintain more than the required amount of governmental continuing education hours.

### **Number and Nature of the Professional Staff To Be Employed on a Part-Time Basis**

Our staffing plan does not incorporate staff employed on a part-time basis.

### **Joint Venture**

We are not proposing as a joint venture or consortium nor will any portion of the proposed audits be subcontracted to another firm. Thus, Warren Averett is the principal and only auditor.



## Similar Engagements With Other Governmental Entities

Listed below are the most significant engagements performed by the Gulf Coast offices of Warren Averett, LLC in the last five (5) years that are similar to the audit engagement described in the County's request for proposal.

Client Name	Date	Scope of Work	Engagement Member	Total Hours	Contact
<b>Okaloosa County, Florida*</b>	1979 – Current	Audit/Single Audit Airport, FRS Pension Reporting/Utility Operations	Angela Balent/ Adam Nelson	1,900	JD Peacock, II Clerk of Circuit Court and Comptroller 850.689.5000 ext. 4301
<b>Escambia County, Florida*</b>	1979 – Current	Audit/Single Audit, FRS Pension Reporting/Utility Operations	Kristen McAllister	1,600	Pam Childers Clerk of the Circuit Court and Comptroller 850.595.4314
<b>Santa Rosa County, Florida*</b>	1993 – Current	Audit/Single Audit, FRS Pension Reporting/Utility Operations	Kristen McAllister	1,200	Donald C. Spencer Clerk of Court and Comptroller 850.983.1973
<b>City of Fort Walton Beach, Florida*</b>	1995 – Current	Audit/Single Audit Utility Enterprise Funds	Angela Balent	450	Michael Beedie City Manager 850.833.9612
<b>City of Pensacola, Florida*</b>	2018 – Current	Audit/Single Audit Airport/Utility Operations	Kristen McAllister	450	Amy Lovoy Finance Director 850.435.1830

*\*All of the listed entities participate in and have been awarded the GFOA Certificate of Achievement in Excellence in Financial Reporting.*

## Engagements with Okaloosa County

Listed below are all engagements within the last five years for Okaloosa County, Florida.

Client Name	Date	Scope of Work	Engagement Member	Total Hours	Contact
Okaloosa County, Florida	1979 – Current	Audit/Single Audit Airport, FRS Pension Reporting/Utility Operations	Angela Balent/ Adam Nelson	1,900	JD Peacock, II Clerk of Circuit Court and Comptroller 850.689.5000 ext. 4301
Okaloosa County, Florida	2020	Attestative Services (AUP) for Compliance With Florida Transit Administrative Requirements	Adam Nelson	40	Jane Evans Grants & RESTORE Manager 850.651.7521
Okaloosa County, Florida	2020	Managerial Advisory Assistance with Water & Sewer Utility HR Matter	Tammy McGaughy	80	Mark Wise Deputy Director 850.651.7502

## Principal Supervisory And Management Staff

Meet your proposed engagement team:



**Angela D. Balent, CPA**  
Engagement Team Leader  
Member  
Licensed in: Florida  
Government Auditing Experience:  
30 years



**Adam Nelson, CPA**  
Engagement Team Leader  
Member  
Licensed in: Florida  
Government Auditing Experience:  
20 years



**Kristen McAllister, CPA, CGFM**  
Engagement Quality Control  
Reviewer  
Member  
Licensed in: Florida  
Government Auditing Experience:  
19 years



**Tammy McGaughy, CPA/ABV,  
CFF, CFE**  
Fraud and Forensics  
Technical Expert  
Member  
Licensed in: Florida  
Government Auditing  
Experience: 29 years



**Kevin Bowyer, CPA, CITP, CISA,  
CDPSE**  
Engagement IT Reviewer  
Member  
Licensed in: Florida  
Government Auditing Experience:  
31 years



**Chelsea James, CPA**  
Engagement Manager  
Manager  
Licensed in: Florida  
Government Auditing  
Experience: Six years



**Destiny Lodge, CPA**  
Engagement Senior  
Senior Associate  
Licensed in: Florida  
Government Auditing Experience:  
Three years



**Kendra Byford, CPA**  
Engagement Senior  
Senior Associate  
Licensed in: Alabama  
Government Auditing  
Experience: Three years



**Kimy Sarra, CPA**  
Engagement Senior  
Senior Associate  
Licensed in: Florida  
Government Auditing Experience:  
Four years



**Sloane Pickett, CPA**  
Engagement Staff  
Associate  
Licensed in: Florida  
Government Auditing  
Experience: Two years

Qualifications, experience, training and relevant CPE for the past two years is included in each individual biography, as well as membership in professional organizations relevant to the performance of this audit. Bios can be found on the following pages.

### **How Quality of Staff Over the Term of the Engagement Will Be Assured**

Warren Averett makes every effort to minimize team turnover, because we recognize that efficient client service benefits both our clients and our firm. We take pride in having a below-average attrition rate for our industry.

Our reputation for quality service and talented people allows us to recruit and retain committed professionals. We take pride in offering our employees a progressive employment structure, including flexible work schedules and competitive compensation and benefits programs. In addition, our year-round practice allows for constant staffing levels. All these factors contribute to our retention rate. With that in mind, we also understand the need for a new perspective and commit to incorporate younger team members into the engagement over time. We are passionate about instilling our investment in integrity and continual improvement in the next generation of accountants and advisors, so that you always have a **fresh set of eyes and a unique, innovative perspective.**

**Warren Averett focuses on superior service and is committed to continuity at both the staff and Member level. Each member of our leadership team is highly visible to our clients and readily accessible by virtue of their direct involvement in all aspects of our engagements.** We believe that a key element in providing superior service is understanding the needs of our clients which we obtain through the development of strong partnering relationships with our clients' management. We also recognize that the accountant's knowledge of your entity is cumulative and the staffing goal for each of our engagements is to provide as many of the same professionals to ensure that knowledge of the client is not re-learned each year.

### **Change in Engagement Team Personnel**

We believe that our firm has a responsibility to our clients to proactively plan for Member succession. It is important to our clients that we develop younger talent within our organization so that our clients continue to be served well by our firm. We are proud to report that the average age of Members is well under the industry average; we believe this is a key differentiator between Warren Averett and other firms, and it positions us well to be able to serve the County for years to come. None of our Client Service Team leaders are subject to transfer, nor do we have significant staff turnover, so you should expect great continuity in the service team on your account. We acknowledge that the County retains the right to approve or reject replacements of key audit team members. **Prior written permission from the County will be obtained prior to any changes taking place.**

### **Change in Consultants and Firm Specialists and Other Audit Personnel**

We also acknowledge that consultants and firm specialists mentioned in this response can only be changed with the express written permission of the County, which retains the right to approve or reject replacements. We ensure that if other audit personnel must be changed, the replacements will have substantially the same or better qualifications and experience.



INTEGRITY  
IN ALL WE DO

#### **Designations and Certifications**

Certified Public Accountant (FL)

#### **Governmental Auditing Experience**

Okaloosa County, Florida  
Escambia County, Florida  
Santa Rosa County, Florida  
City of Fort Walton Beach, Florida  
City of Milton, Florida  
Town of Century, Florida  
City of Niceville, Florida  
City of Pensacola, Florida  
City of Valparaiso, Florida  
Town of Shalimar, Florida  
Town of Cinco Bayou, Florida  
Gulf Consortium

#### **Education**

Bachelor of Science in Business  
Administration, Accounting  
Bowling Green State University,  
Bowling Green, OH

## **ANGELA D. BALENT, CPA**

### **Engagement Team Leader, Member**

D 850.275.1224 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Angela.Balent@warrenaverett.com

Angela Balent joined the firm in 1992 and is a Member in the firm's Audit Division. She has more than 30 years of experience in public accounting and specializes in audit and attest services. She has extensive experience with the governmental and nonprofit industries, Common Interest Realty Associations and construction and governmental contractors. Angela resides in Fort Walton Beach with her husband and their dog Max.

#### **Professional Affiliations**

- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- Government Finance Officers Association, ACFR and PAFR Special Reviewer
- Florida Government Finance Officers Association
- Economic Development Council of Okaloosa County, Past Chairman
- Emerald Coast Chapter of the Florida Institute of Certified Public Accountants, Past President

#### **Community Involvement**

- The Junior League of the Emerald Coast, Past President
- Coast Aquatics, Inc., Past President
- Community Associations Institute, North Gulf Coast Chapter, Past President
- 86th Fighter Weapons Squadron, Past Honorary Commander, Eglin Air Force Base

#### **Relevant Continuing Professional Education**

- 26<sup>th</sup> Annual Governmental GAAP Update – 2021
- Accounting Forum for Public Sector – 2021
- Government Audit Planning and Update – Gulf Coast Offices – 2021
- The Most Critical Challenges in Governmental Accounting Today – 2021
- Communicating Internal Control Deficiencies – 2020
- Government Planning Approach for the Gulf Coast – 2020
- NFP Governmental and Healthcare Industry Conference – Single Audit Track – 2020
- Accounting Trends Update – 2020 & 2021
- Accounting Forum for Public Sector for Educational Institutions & Other Nonprofit Organizations – 2020
- Paycheck Protection Program Webinar – 2020



## ENTREPRENEURSHIP

### Designations and Certifications

Certified Public Accountant (FL)

### Governmental Auditing Experience

Okaloosa County, Florida  
City of Fort Walton Beach, Florida  
City of Freeport, Florida  
City of DeFuniak Springs, Florida  
City of Mary Esther, Florida  
City of Milton, Florida  
City of Niceville, Florida  
City of Pensacola, Florida  
Town of Cinco Bayou, Florida  
Town of Shalimar, Florida  
Okaloosa Gas District  
South Walton Fire District

### Education

Bachelor of Science, Accounting  
Florida Atlantic University  
Boca Raton, Florida

Bachelor of Business Administration,  
Finance  
Florida Atlantic University  
Boca Raton, Florida

## ADAM NELSON, CPA

Engagement Team Leader, Member

D 850.357.8727 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Adam.Nelson@warrenaverett.com

Adam Nelson joined Warren Averett in 2018 and is a Member in the firm's Audit Division. He has approximately 20 years of public accounting experience. He began his auditing career by developing a specialty for auditing entities subject to federal and state compliance requirements. Adam has extensive experience serving counties, municipalities, special purpose governments and nonprofit organizations. His primary responsibilities include executing and managing financial statement audits as a trusted client advisor, providing insight on industry trends, identifying client issues and proactively communicating plausible solutions to clients beyond the debits and credits. In addition, he assists clients with internal control reviews, debt offerings as well as other accounting matters and business concerns. Adam resides in Fort Walton Beach with his wife and three dogs.

### Professional Affiliations

- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- Government Finance Officers Association
- Certificate of Achievement Program Special Review Committee for the GFOA

### Community Involvement

- Emerald Coast Science Center, Treasurer

### Relevant Continuing Professional Education

- Government Audit Planning and Update – Gulf Coast Offices, Instructor – 2021
- CARES Act Training for Auditors – 2021
- BDO Alliance USA Conference – GASB and Yellow Book Updates and Practice Issues – 2021
- BDO Alliance USA Conference – Single Audit Surprises and Other Matters – 2021
- Accounting Forum for Public Sector, Instructor – 2021
- Journal Entry Testing and Audit Data Analytics – 2020
- Government Planning Approach for the Gulf Coast, Instructor – 2020
- Accounting Forum for Public Sector for Education Institutions & Other Nonprofit Organizations, Instructor – 2020
- Nonprofit & Education, Governmental and Healthcare Industry Conference – General Session – 2020



## SOLID RELATIONSHIPS

### Designations and Certifications

Certified Public Accountant (FL)  
Certified Government Financial Manager

### Governmental Auditing Experience

Escambia County, Florida  
Okaloosa County, Florida  
Santa Rosa County, Florida  
City of Foley, Alabama  
City of Fort Walton Beach, Florida  
City of Milton, Florida  
City of Niceville, Florida  
City of Pensacola, Florida  
Town of Cinco Bayou, Florida  
Town of Century, Florida  
Town of Shalimar, Florida  
Pensacola Downtown Improvement Board

### Education

Bachelor of Science in Business  
Administration, Accounting  
University of West Florida, Pensacola, FL  
Master of Accountancy  
University of West Florida, Pensacola, FL

## KRISTEN R. MCALLISTER, CPA, CGFM

### Quality Control Reviewer, Audit Member

D 850.470.5537 | F 850.435.2888

350 W. Cedar Street, Suite 400 | Pensacola, FL 32502

Kristen.McAllister@warrenaverett.com

Kristen McAllister joined the firm in 2004 and is a Member in the firm's Audit Division. She specializes in working with governmental entities and nonprofit organizations and is a Certified Government Financial Manager (CGFM). Kristen is the Service Area Leader for Audit in the Pensacola office and is a past Best Practice Leader for Audit. She oversees the planning of engagements and coordination of the fieldwork with clients and the team.

Kristen provides direct and continual communication with the client throughout the engagement, and ensures all deliverables are prepared timely. She has dedicated her career to serving local nonprofit organizations and governmental agencies and has become a trusted advisor for many of her clients.

### Professional Affiliations

- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- Florida Government Finance Officers Association

### Community Involvement

- Impact 100, Member
- Pensacola Mess Hall, Past Board Member & Treasurer
- Leadership Pensacola, Class of 2017
- Emerald Coast Chapter of the Florida Institute of Certified Public Accountants, Past Treasurer

### Relevant Continuing Professional Education

- Accounting Forum for Public Sector – 2021
- NFP2021: Yellow Book (GAGAS) Update – 2021
- Overview of a Single Audit – 2021
- BDO Alliance USA Conference – GASB and Yellow Book Updates and Practice Issues – 2021
- Government Planning Audit Planning and Update – Gulf Coast Offices, Instructor – 2021
- Accounting Forum for Public Sector for Education Institutions & Other Nonprofit Organizations – 2020
- Nonprofit & Education, Governmental and Healthcare Industry Conference – General Session – 2020
- Fraud and Forensics – 2020
- Enterprise Risk Management and Internal Audit: Maintaining Awareness During Economic Uncertainty – 2020



PASSION TO WIN

#### **Designations and Certifications**

Certified Public Accountant (FL)  
Certified Fraud Examiner  
Certified in Financial Forensics  
Accredited in Business Valuations

#### **Governmental Auditing Experience**

Okaloosa County, Florida  
City of Fort Walton Beach, Florida  
City of Mary Esther, Florida  
City of Milton, Florida  
City of Niceville, Florida

#### **Education**

Bachelor of Science in Accounting  
The Ohio State University, Columbus, OH

## **TAMMY S. MCGAUGHY**, CPA/ABV, CFF, CFE

### **Fraud and Forensics Technical Expert**

D 850.275.1227 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Tammy.McGaughy@warrenaverett.com

Tammy McGaughy joined the firm in 1996 and is a Member in the firm's Audit Division and its Corporate Advisory Services Group. She has 29 years of experience in the field of public accounting and specializes in compliance and internal audits, governmental and nonprofits, forensic audits and business valuations. Tammy lives in Fort Walton Beach, keeps busy with her children's many activities, and also enjoys spending the mornings walking her dogs.

### **Professional Affiliations/Recognitions**

- Association of Certified Fraud Examiners
- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- Florida Government Finance Officers Association

### **Community Involvement**

- Greater Fort Walton Beach Chamber of Commerce, Past-Chair, Treasurer
- Florida Institute of Certified Public Accountants, Past-President
- FWB Dog Daze Festival, Chair of Chamber

### **Relevant Continuing Professional Education**

- Accounting Forum for Public Sector – 2021
- Overview of a Single Audit – 2021
- 22<sup>nd</sup> Annual Institute on Privacy and Cybersecurity Law – 2021
- Government Audit Planning and Update – Gulf Coast Offices – 2021
- Government Investigations 2021: Investigations Arising from Data Breach and Privacy Concerns and Parallel Proceedings – 2021
- BISK Governmental-Nonprofit Accounting Report Sessions – 2020
- Government Planning Approach for the Gulf Coast – 2020
- Accounting Trends Update – 2020
- Accounting Forum for Public Sector for Educational Institutions & Other Nonprofit Organizations – 2020
- Paycheck Protection Program Webinar – 2020
- Fraud and Forensics, Instructor – 2020





## ENTREPRENEURSHIP

### Designations and Certifications

Certified Public Accountant (FL)  
Certified Information Technology Professional  
Certified Information Systems Auditor  
Certified Data Privacy Solutions Engineer

### Governmental Auditing Experience

Okaloosa County, Florida  
City of DeFuniak Springs, Florida  
City of Freeport, Florida  
City of Gulf Breeze, Florida  
Okaloosa Gas District  
South Walton Fire District  
South Walton Mosquito Control District

### Education

Bachelor of Arts in Accounting  
University of West Florida, Pensacola, FL

## KEVIN D. BOWYER, CPA, CITP, CISA, CDPSE

### IT Reviewer, Member

D 850.337.2422 | F 850.837.4583

36474C Emerald Coast Pkwy., Suite 3301 | Destin, FL 32541

Kevin.Bowyer@warrenaverett.com

Kevin Bowyer joined the firm in 1990, is a Member in the firm's Audit Division and serves as the Managing Member of the Destin office. Kevin has over 30 years of experience in public accounting and specializes in planning, supervising and conducting audits of companies in a variety of industries, including construction, government, hospitality, real estate, professional services, nonprofits and manufacturing and distribution. He also has extensive knowledge in consulting and performing audits in the areas of IT Risk Management, System and Organization Control engagements and internal control evaluations, as well as consulting, compliance services and tax planning and preparation services for condominium and homeowners' associations. Kevin is also a member of the Risk and Controls Division of Corporate Advisory Services. Kevin lives in Destin with his wife and three children.

### Professional Affiliations

- Information Systems Audit and Control Association
- Government Finance Officers Association
- Florida Government Finance Officers Association
- Florida Institute of Certified Public Accountants, Past Board of Governors
- American Institute of Certified Public Accountants, SOC Peer Review Specialist

### Community Involvement

- Destin Rotary Club, Past President, Chairman of Scholarship Foundation
- Destin Area Chamber of Commerce, Past Chairman
- Florida Chamber of Commerce, Board of Directors and Finance Committee

### Relevant Continuing Professional Education

- BISK Governmental-Nonprofit Accounting Report Sessions – 2021 & 2020
- How to 10X Your SOC and Prepare for the Next Security Decade – 2021
- Global Data Protection Boot Camp – 2021
- 22<sup>nd</sup> Annual Institute on Privacy and Cybersecurity Law – 2021
- ISACA Virtual Summit: Cybersecurity for the Cloud & State of Cybersecurity – 2020
- Government Planning Approach for the Gulf Coast – 2020
- Accounting Forum for Public Sector for Education Institutions & Other Nonprofit Organizations – 2021 & 2020
- Cyber Resiliency and Breach Reporting – 2020
- Creating a Cybersecurity Awareness Culture in Today's Society – 2020



## CHELSEA JAMES, CPA

### Audit Manager

D 850.275.1250 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Chelsea.James@warrenaverett.com

Chelsea James joined Warren Averett in 2015 and is a Manager in the firm's Audit Division. Chelsea has over six years of experience in the field of public accounting and specializes in governmental clients, as well as Common Interest Realty Associations. She is primarily responsible for planning and executing financial statement audits in accordance with GAAP standards, supervising the audit team and cultivating relationships with Audit clients. Chelsea resides in Navarre, Florida with her husband and their daughter.

### Professional Affiliations

- American Institute of Certified Public Accountants

### Community Involvement

- Navarre Beach Area Chamber of Commerce

### Relevant Continuing Professional Education

- CARES Act Training for Auditors – 2021
- Single Audit & ARPA Update – 2021
- NFP2021: Coronavirus Stimulus Funding-What You Need to Know
- NFP2021: Common Reporting Deficiencies in Governments
- NFP2021: Yellow Book (GAGAS) Update
- Accounting Trends Update – 2021
- BDO Alliance USA Conference – Single Audit Surprises and Other Matters – 2021
- 3<sup>rd</sup> Quarter A&A Update NFP Topics & Peer Review Issues – 2021
- BISK Governmental-Nonprofit Accounting Report Sessions – 2020
- Government Planning Approach for the Gulf Coast – 2020
- Accounting Forum for Public Sector – 2020

PASSION TO WIN

### Designations and Certifications

Certified Public Accountant (FL)

### Governmental Auditing Experience

Okaloosa County BCC

Okaloosa County Tax Collector

Okaloosa County Sheriff's Office

Okaloosa County Clerk of Courts and  
Comptroller

City of Milton, Florida

### Education

Bachelor of Accounting

Midwestern State University

Wichita Falls, TX



## SHARING OUR SUCCESS

### Designations and Certifications

Certified Public Accountant (FL)

### Governmental Auditing Experience

Okaloosa County Tax Collector  
Okaloosa County Water & Sewer  
Escambia County Tax Collector  
Santa Rosa County Tax Collector  
City of Fort Walton Beach, Florida  
City of Niceville, Florida  
Town of Cinco Bayou, Florida

### Education

Bachelor of Science in Business  
Administration – Accounting  
Troy University, Troy, AL

Master of Accountancy  
Troy University, Troy, AL

## DESTINY LODGE, CPA

### Engagement Senior, Senior Associate

D 850.444.7221 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Destiny.Lodge@warrenaverett.com

Destiny Lodge is a Senior Associate in the firm's Audit Division. Her primary responsibilities include performing audits of financial statements in accordance with GAAP standards, providing support to management by mentoring and training audit staff and preparing financial statements and required disclosures. Destiny resides in Mary Esther, Florida with her husband and her rescue dog, Hartley.

### Professional Affiliations

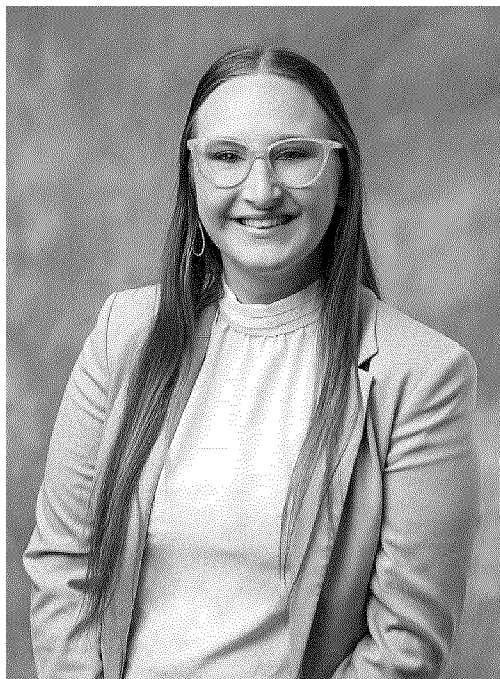
- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants

### Community Involvement

- Liberty Church's "Next Generation" Team, Group Leader
- Greater Fort Walton Beach Chamber of Commerce

### Relevant Continuing Professional Education

- Government Reporting Refresher – 2021
- IT General Controls Refresher for Auditors – 2021
- CARES Act Training for Auditors – 2021
- Audit Level 3 Technical Training – 2021
- Overview of Single Audit – 2021
- BDO Alliance USA Conference – GASB and Yellow Book Updates and Practice Issues – 2021
- Audit New Hire Technical Training, Instructor – 2021
- BISK Governmental-Nonprofit Accounting Report Sessions – 2020
- Government Planning Approach for the Gulf Coast – 2020



## SHARING OUR SUCCESS

### Designations and Certifications

Certified Public Accountant (FL)

### Governmental Auditing Experience

Okaloosa County Single Audit  
Okaloosa County BCC  
Okaloosa County Sheriff's Office  
Okaloosa County Clerk of Courts and  
Comptroller  
Okaloosa County EMS  
City of Valparaiso, Florida  
Gulf Consortium  
Town of Cinco Bayou, Florida  
City of DeFuniak Springs, Florida

### Education

Bachelor of Science in Business  
Administration – Accounting  
University of West Florida, Pensacola, FL

## KIMBERLY SARRA, CPA

### Audit Senior Associate

D 850.257.8980 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Kimy.Sarra@warrenaverett.com

Kimy Sarra is a Senior Associate in the firm's Audit Division. She joined Warren Averett in 2021 and has over four years' experience in the field of public accounting. Kimy was born and raised in Okaloosa County and has strong connections to the area and its businesses. Kimy's primary job responsibilities include preparing GAAP financial statements and Single Audits. She also assists and oversees staff and interns. Kimy resides in Niceville with her son and three dogs.

### Professional Affiliations

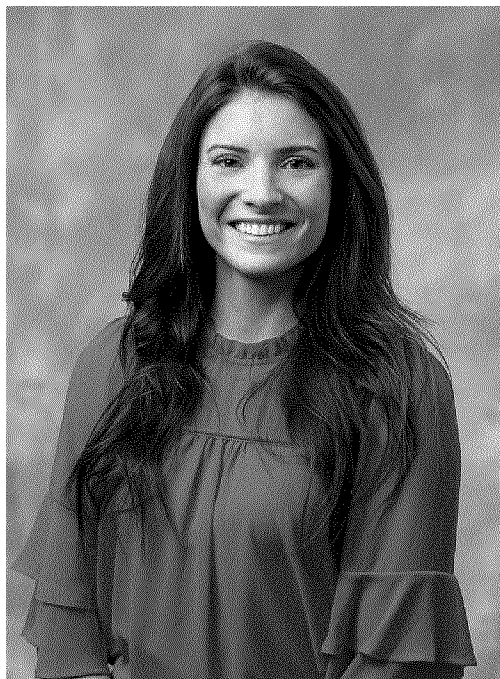
- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants

### Community Involvement

- Niceville Valparaiso Little League, Volunteer
- Crosspoint Bluewater Bay, Member

### Relevant Continuing Professional Education

- Government Reporting Refresher – 2021
- Government Audit Planning and Update – Gulf Coast Offices – 2021
- Overview of a Single Audit – 2021
- CARES Act Training for Auditors – 2021
- Audit Level 3 Technical Training – 2021
- 2<sup>nd</sup> Quarter A&A Update Reporting on COVID Relief Funds – 2021
- Lessons Learned from Auditing During a Pandemic – 2021



## TEAM MINDSET

### Designations and Certifications

Certified Public Accountant (AL)

### Governmental Auditing Experience

Okaloosa County Tax Collector  
Okaloosa County Property Appraiser  
City of Niceville, Florida  
City of Fort Walton Beach, Florida  
Okaloosa Gas District  
Town of Shalimar, Florida  
City of DeFuniak Springs, Florida

### Education

Bachelor of Science in Administration –  
Accounting  
Troy University, Troy, AL  
Master of Accountancy  
Troy University, Troy, AL

## KENDRA BYFORD, CPA

### Audit Senior Associate

D 850.275.1246 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Kendra.Byford@warrenaverett.com

Kendra Byford is a Senior Associate in the firm's Audit Division. She joined Warren Averett in 2019 and has over three years of experience in the field of public accounting. Her primary responsibilities include performing attestation engagements for CIRAs, local governments and nonprofit organizations while strengthening relationships with the firm's clients. Kendra also recruits, trains and mentors new team members. She loves to spend time outdoors soaking up the sun.

### Professional Affiliations

- American Institute of Certified Public Accountants
- Alabama Society of Certified Public Accountants

### Community Involvement

- Greater Fort Walton Beach Chamber of Commerce

### Relevant Continuing Professional Education

- BISK Governmental-Nonprofit Accounting Report Sessions – 2021 and 2020
- Government Reporting Refresher – 2021
- Government Audit Planning and Update – Gulf Coast Offices – 2021
- IT General Controls Refresher for Auditors – 2021
- Lessons Learned from Auditing During a Pandemic – 2021
- Overview of a Single Audit – 2021
- CARES Act Training for Auditors – 2021
- Audit Level 3 Technical Training – 2021
- NFP2021 – GASB Update and GASB 87 – Leases-Implementation
- BDO Alliance USA Conference – Yellow Book Update and Practice Issues – 2021
- Government Planning Approach for the Gulf Coast – 2020



## ENTREPRENEURSHIP

### Designations and Certifications

Certified Public Accountant (FL)

### Governmental Auditing Experience

Okaloosa County Airports  
Okaloosa County Supervisor of Elections  
Okaloosa County BCC  
Okaloosa County Clerk of Courts and  
Comptroller  
City of Fort Walton Beach, Florida

### Education

Bachelor of Business Administration in  
Accounting  
Troy University, Troy, AL  
  
Master of Accountancy  
Troy University, Troy, AL

## SLOANE PICKETT, CPA

### Audit Associate

D 850.275.1236 | F 850.664.2562

45 Eglin Parkway, N.E., Suite 301 | Fort Walton Beach, FL 32548

Sloane.Pickett@warrenaverett.com

Sloane Pickett joined Warren Averett in 2020 and is an Associate in the firm's Audit Division. Sloane has more than a year of experience in the field of public accounting, specializing in governmental accounting and financial reporting. Her primary responsibilities include preparing financial statements, testing internal controls and communicating with clients. Sloane also enjoys recruiting, training and mentoring new team members.

### Professional Affiliations

- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants

### Community Involvement

- Beachside Community Church
- AMIKids Emerald Coast, Board Treasurer

### Relevant Continuing Professional Education

- BISK Governmental-Nonprofit Accounting Report Sessions – 2021 and 2020
- Accounting Forum for Public Sector – 2021
- Government Audit Planning and Update – Gulf Coast Offices – 2021
- IT General Controls Refresher for Auditors – 2021
- Lessons Learned from Auditing During a Pandemic – 2021
- Overview of a Single Audit – 2021
- CARES Act Training for Auditors – 2021
- 2<sup>nd</sup> Quarter A&A Update Reporting on COVID Relief Funds – 2021
- BDO Alliance USA Conference – Yellow Book Update and Practice Issues – 2021
- Government Planning Approach for the Gulf Coast – 2020

## **b. Specific Audit Approach**

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### **Work Plan**

Our overall audit approach is risk-based founded on involvement of experienced personnel, early identification of key accounting and audit risk areas and frequent communication. All risk-based audit methodologies emphasize using the knowledge of the entity to make risk assessments in a financial statement audit. This is why our knowledge based on living in Okaloosa County and auditing Northwest Florida County governments is so important in a risk-based approach. We have the knowledge to focus audit efforts on those areas that are most significant and pose the most risk of material misstatement to the financial statements.

The fundamental purpose of the required financial audit is to provide independent assurance to the citizens and to other affected parties, such as bondholders, debt rating institutions and other governments, that the financial reports prepared by the reporting local governments fully account, in accordance with generally accepted accounting principles, for the financial transactions affecting the public resources entrusted to their stewardship.

### **Warren Averett understands the scope of services as follows:**

- The scope of the engagement will to be express an opinion on the fair presentation of Okaloosa County's basic financial statements in conformity with generally accepted accounting standards and the Government Accounting Standards Board (GASB).
- We will also provide "in-relation-to" reports on the combining and individual non-major fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements.
- Warren Averett will perform certain limited procedures involving Management's Discussion and Analysis and supplementary information required by the GASB and will provide an "in-relation-to" report in relation to the Schedule of Expenditures of Federal Awards, State Financial Assistance and Schedule of Passenger Facility charges based on auditing procedures applied in the audit of the basic financial statements.

### **Warren Averett understands the audits should be performed in accordance with the following as they exist and may be subsequently amended:**

- Statements on Auditing Standards (GAAS) promulgated by the American Institute of Certified Public Accountants (AICPA)
- Government Auditing Standards (GAS) issued by the Comptroller General of the United States
- Provisions of the Single Audit Act Amendments of 1996
- Provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) (the Uniform Guidance supersedes the requirements under OMB Circular A-133)
- The Florida Single Audit Act (Section 215.97, Florida Statutes)
- Rules of the Executive Office of the Governor, Chapter 27D-1, Florida Administrative Code
- Rules of the Auditor General, State of Florida, Chapter 10.550
- Florida Statutes as applicable, 218.39



- Any applicable federal, state, local regulations or professional guidance not specifically listed above as well as any additional requirements, which may be adopted by these organizations in the future

**Warren Averett understands the entities to be audited as part of the project as follows:**

Separate special purpose financial statement audit of each Constitutional Officer to include:

- Clerk of Circuit Court and Comptroller
- Property Appraiser
- Tax Collector
- Sheriff
- Supervisor of Elections

Annual Comprehensive Financial Report of Okaloosa County, Florida

- Includes all entities identified previously and the Board of County Commissioners
- Presented in accordance with generally accepted accounting standards
- Report to be submitted to GFOA for Certificate of Achievement in Financial Reporting

**Reports to be issued:**

We will issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles including an opinion on the combining and non major fund financial statements and the schedule of federal awards, state financial assistance and passenger facility charges.



We will issue reports on internal control and compliance required Government Auditing Standards and requirements on compliance applicable to major federal programs, state financial assistance, and passenger facility charges in accordance with applicable standards.



In the internal control and compliance reports, we will disclose any material weaknesses and or significant deficiencies in the system of internal control over financial reporting found during the audit. Such reports will also include all reportable instances of non compliance.



Other matters not considered to be material weaknesses or significant deficiencies will be reported to management and governance in the management letter.



Warren Averett will make an immediate written report of all fraud and illegal acts or indications of illegal acts of which become aware of to the Finance Officer and when appropriate to higher level of authority.





We will issue a report to governance at the conclusion of the audit process that includes all required elements of communication addressed in items 1-10 in the reports to be issued section of the audit RFP.



We will issue reports for all compliance elements required by the Florida Auditor General to include allocation of funds and additional court costs and solid waste financial assurance.



We will certify data required with the Data Collection form and AFR.



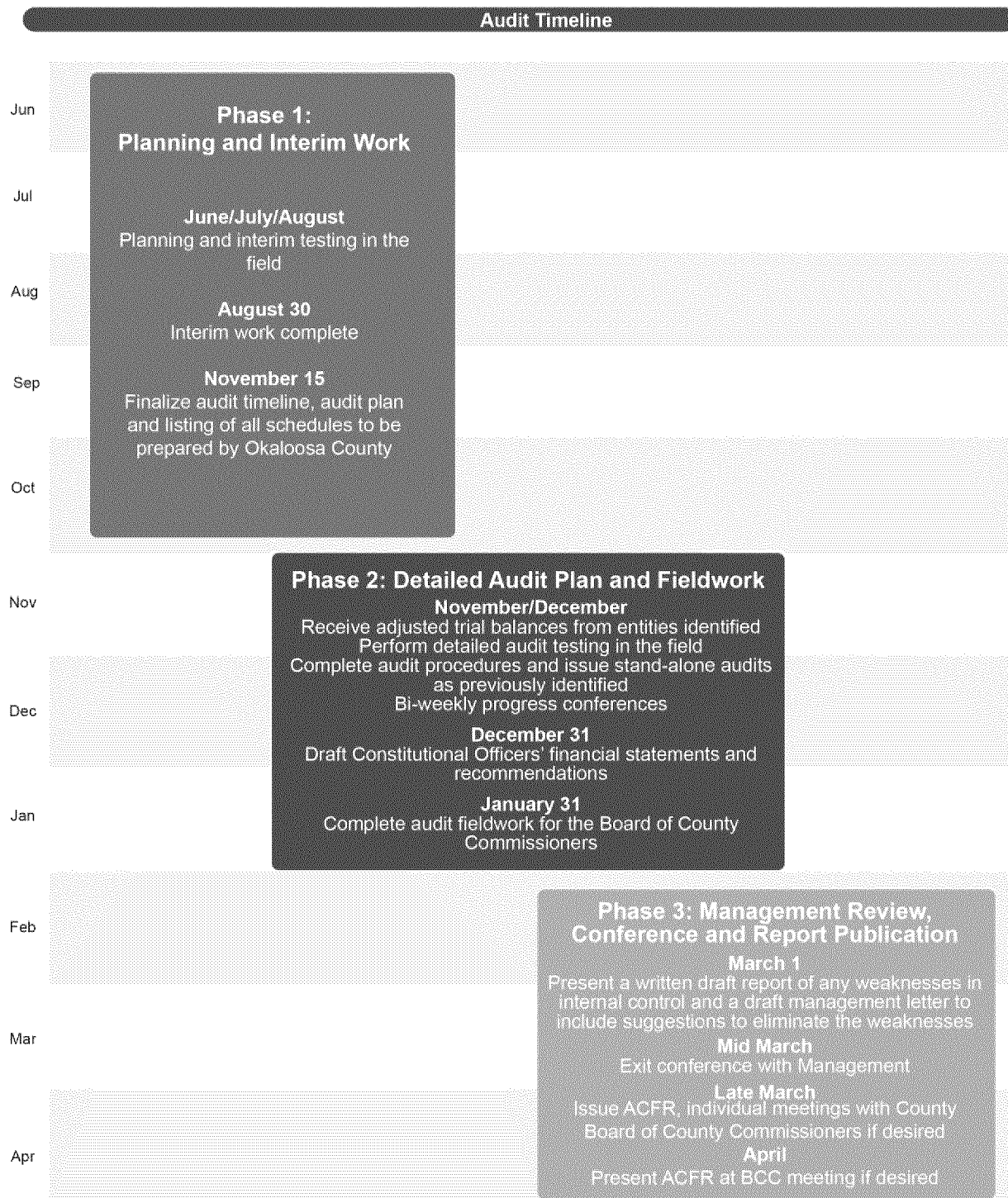
We will prepare comfort letters as needed for debt security offerings.

#### **Experience in Preparing an Annual Comprehensive Financial Report/Certificate of Achievement in Financial Reporting**

We have assisted Okaloosa County and many other governmental entities to prepare and submit an Annual Comprehensive Financial Report (ACFR) to the GFOA for participation in the Certificate of Achievement for Excellence in Financial Reporting. Angela D. Balent, CPA has served as both an ACFR and PAFR reviewer for the GFOA making her well-qualified to guide the County to go beyond the minimum requirements of GAAP to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure. We are proud of the County for making the investment to be best in class as it relates to financial reporting and will be your partner in ensuring the ACFR produced meets all the complex requirements needed for certification.

**Warren Averett understands and will ensure the Working Papers Retention and Access to Working Papers criteria outlined in Section II of the RFP are adhered to.**

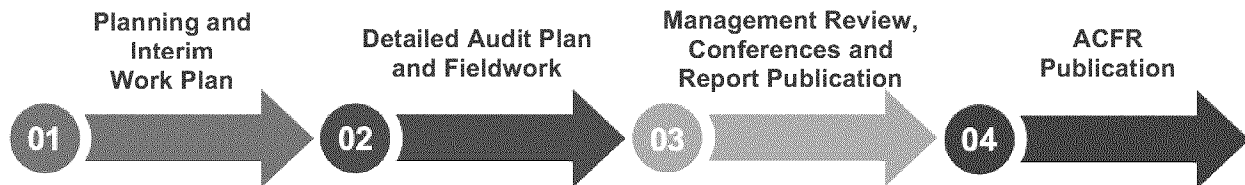
Warren Averett understands the audit timeline and the following is a preliminary timetable.



## Explanation of Audit Methodology

### 1. a. Proposed segmentation of the engagement

With audit procedures that are tailored to the County and responsive to grow and change as your organization does, Warren Averett offers truly personalized, risk-focused audit services unlike any other. We're also public sector industry experts, able to leverage insight into your business world alongside your financial one.



### PHASE 1: PLANNING AND INTERIM WORK

1. Starting strong—with personalized planning sessions and deep research of the County—means we understand the details of your organization. In fact, **we estimate that 20 to 25 percent of the audit can be completed at interim**. This phase of the audit process is not just a planning tool, but an integral part of evidence gathering.
2. We'll start with **internal planning sessions** to make applicable fraud inquiries and discuss significant events and transactions. This includes reviewing Commission meeting minutes and internal financial statements including budget to actual comparisons.
3. Next, we'll conduct interviews to document our understanding of your organization's **internal controls** with regard to financial statements and compliance. Compliance auditing requires auditors to carefully determine the nature of the services authorized to be provided by the local government and the extent of the implementing powers granted. Once determined, these powers determine the basis for developing the specific compliance auditing procedures to be employed during the audit.
4. We will perform a review of the general IT control environment to include authentication controls, administration access, environmental controls, firewall log reviews and backup procedures and data interfaces.
5. We'll then evaluate **audit risk** associated with your operating environment and identify any instances in which you could be susceptible to material misstatement or fraud (and how you'll deal with them).
6. We'll **establish materiality** with a proprietary approach that focuses on both quantitative and qualitative data and a look back at historical errors.
7. We will **investigate** the status of any prior year audit findings and determine if corrective action has been taken.
8. Finally, we will design our audit procedures in response to the assessed risks.
9. At the conclusion of interim work, we will meet with County management and **present the results** of those procedures to include any known findings.

## PHASE 2: DETAILED AUDIT PLAN AND FIELDWORK

Next, we'll get to work testing your organization's financial information in order to validate reported results. This work could include (but won't be limited to):



**Substantive procedures** include both detail testing and analytical procedures. Detail testing includes vouching to source documents based on sampling or scoping. Analytical procedures include predictive tests and trend analysis.



**Third-party confirmations** to ensure accuracy of cash, investments, receivables, debt and other balances



Although **testing the operating effectiveness of internal controls** in a financial statement audit is not required, with the current use of sophisticated and complicated computer systems and systemic controls, testing controls should occur to some extent in nearly every audit engagement.



There are unique **reporting and disclosure** considerations for local government entities compared to financial statements of for-profit entities. These considerations include opinion units, major funds, compliance requirements and accounting and reporting alternatives. The accounting standards of the GASB permit local governments to select from a number of accounting and financial reporting alternatives. Our auditors specialized in government accounting and financial reporting can help the County navigate the complexities of financial reporting.



**Data analysis abnormality identification**, done with specialized software designed to make sorting, filtering and analyzing large amounts of transactions quick and accurate—and inconsistencies easy to pinpoint and address. We employ data analysis to perform a number of audit tests. A brief summary of how data analysis can be used in the County's audit follows:

- Journal entry testing to include journal entries posted by person, entries made on weekends/holidays and items that hover under approval thresholds;
- Payroll testing to include multiple payments to an employee in the same payroll period, employees with no payroll tax withholdings, and comparison of employee information to the County's vendor master file; and
- Expense testing to include testing for duplicate invoices, large expense and unusual numbers using Benford's law which tests for unusual number partners.

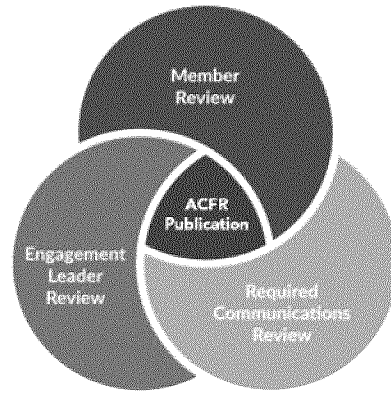
## PHASE 3: MANAGEMENT REVIEW, CONFERENCE AND REPORT PUBLICATION

Near completion of fieldwork, the necessary upward review, including Member and Manager level reviews, will be performed in the field. This will allow for resolution of any review questions and permit a more timely completion of the audit.

All preliminary audit adjustments and any audit findings, which will appear in the report on compliance and internal control and in the management letter, will be discussed in advance with County personnel. Any items that came to our attention that are not what we consider major items may be discussed verbally with management and not included in the management letter.

## PHASE 4: ACFR PUBLICATION

The Certificate of Achievement in Financial Reporting Program (ACFR Program) was established by the Government Finance Officers Association (GFOA) to encourage state and local governments to go beyond the minimum requirements of generally accepted accounting principles. Accordingly, ACFRs are a means for a government to present information in the transmittal letters and statistical information to promote transparency and full disclosure. The infographics at the beginning of our proposal is information found in the County ACFR.



As a part of the engagement, the Warren Averett team will complete a detailed review of the ACFR and provide guidance as to the compliance with the ACFR Program as established by the GFOA.

We will also assist the County in implementing all applicable Government Accounting Standards Board (GASB) accounting and reporting standards, as issued or revised.

While the County recognizes their role reviewing and approving the ACFR, we will assist in the preparation of the aforementioned ACFR document. Warren Averett will assist in:

- 1 Reviewing the financial statements and note disclosures prepared by the Finance Department
- 2 Proofreading of entire document
- 3 Overall review including layout, design and suggested improvements according to the disclosure checklists, including the GFOA checklist for General-Purpose Government
- 4 Any other guidance necessary to facilitate the County's successful participation in the Program

Also during this phase, the audit opinions are finalized and the report and key audit work papers undergo quality review by a Member outside the engagement team with significant government and Single Audit Act experience. This review is just one of the many elements of our quality control system and evidence of our commitment to technical excellence.

At the conclusion of our engagement, we will present the report to County Commissioners and schedule in-person meetings with governance before the Board presentation for any Commissioners who are interested in individual meetings with us.

### Use of Technology in the Audit

As technology has enhanced the work of performing audits, Warren Averett has invested in creating tools, fostering education and empowering leaders to maximize the value of audit services by automating time-consuming tasks. Today, we are more efficient and effective than ever and an Accounting Today's Best Firm in Technology Award winner, thanks to our advanced data analytics, automation, augmented intelligence and more.

#### Our Resources:

- Warren Averett Engage
- Warren Averett Connect
- Accounting Blockchain Coalition (ABC)
- Director of Innovation
- Data Analysis Group
- Citizen Data Analysis

#### Data Analytics Tools:

- Alteryx Designer
- Caseware IDEA
- Wolters Kluwer Teammate Analytics
- Altair Monarch

**1. b. Level of staff and number of hours to be assigned to each proposed segment of the engagement**

Segments	Members/IT Specialist	Managers	Supervisory Staff	Staff	Total Hours
Planning and interim work (phase 1)	175	100	150	95	520
Year-end fieldwork (phase 2)	75	100	315	400	890
Review, reporting and conferences (phase 3)	140	150	120	50	460
<b>Total</b>	<b>390</b>	<b>350</b>	<b>585</b>	<b>545</b>	<b>1,870</b>

**1. c. Extent of use of EDP software in the engagement**

Our firm employs a dedicated Director of Innovation, Kevin Wang, to ensure we are up to date on the use of technology. He has held this role in the firm for nearly five years. Kevin previously worked in the Audit Division of the Fort Walton Beach office, where his responsibilities included the review of entry and intermediate work and supervision of attest engagements. He specialized in Single Audit engagements and focused the majority of his time on nonprofit and governmental entities. As the Director of Innovation, Kevin's current responsibilities are to identify and propose areas where technology, organizational structure and day-to-day practices can be combined and refined to drive Warren Averett towards our business goals.

Warren Averett has a corporate philosophy that embraces technology and has a team of dedicated IT experts. As a leader in the profession, we have been paperless since 2004. We have a Certified Information Technology Professional (CITP) and Certified Information System Auditor (CISA) who will serve the County as it relates to the data processing review encompassed in the financial audit. Our firm utilizes IDEA, a data extraction software (DES), to analyze information downloaded from a client's computer system during several phases of the audit. DES offers the benefits of improved audit efficiency and better quality audits.

By using the specialized software, we can quickly sort, filter and analyze multiple transactions in a population. These computerized auditing techniques allow us to identify anomalies, making it easier to focus in on areas of potential concern and drill down on those items that have the highest risk. Examples of uses of extraction and data analysis in our audit approach are as follows:

- Summarize disbursements for a period by dollar range and compare to policy guidelines for approvals and signature requirements;
- Review check register listing to search for unrecorded liabilities or checks written during the year;
- Convert bank or investment statement activity to an Excel document; this provides a quick listing of deposits for an entire period/year;
- Convert vendor files to Excel, which includes addresses, and compare to employee file with addresses for any similar or unusual items related to vendor file;
- Review general ledger detail by account with all transactions listed, with a summary by journal entry number for easier and more effective, consistent journal entry testing procedures, including

completeness testing of all activity for the year compared to change in trial balance amounts from year-to-year;

- Assist clients if there are any internal uses for data extraction; we routinely assist clients with conversion of PDF information to Excel files;
- Execute mathematical testing;
- Perform detailed analytical procedures;
- Comparison of separate databases, such as employee and vendor files, to identify any common addresses;
- Aging and stratification of data; and
- Conduct exception reporting, such as using the hours to gross payroll data to analyze files for anomalies, including:
  - Excessively high hourly rates, regular hours greater than 80 hours in a pay period or high overtime hours; and
  - Overtime hours with vacation or sick leave, etc.

## **2. a. Approach to be taken to gain and document an understanding of Okaloosa County's internal control structure**

The internal control structure of the County, and its operating effectiveness, is the responsibility of management throughout the organization. We will gain an understanding of the internal control system as follows:

- We will review all reports prepared by the Office of the Inspector General and meet with management to discuss findings, recommendations and identify any areas of concern.
- We will conduct interviews with management to document not only the flow of transactions, but also specific key controls which serve to prevent errors and fraud. We will document our understanding relative to both controls over financial reporting and controls over federal and state programs.
- Management's written policies will be requested, analyzed and compared against the completed questionnaires.
- Detailed walkthroughs, consisting of procedures such as inspections, re-performance, inquiry and observations, will be performed on all key controls and significant transaction cycles.
- Tests of controls will most likely be performed based on the outcome of our understandings and walkthroughs, which ultimately may be used to reduce the amount of substantive test work required to be performed if controls are deemed to be effective at reducing the risk of misstatement to tolerable levels.

## **2. b. Type and extent of analytical procedures to be used in the engagement**

Warren Averett uses analytical procedures in several areas of our governmental audits.

- Preliminary (planning) analytical procedures – These procedures are used to enhance our understanding of the County’s operations and assist in assessing areas of specific risk of misstatement by identifying unusual relationships among account balances or the absence of expected relationships.
- Substantive analytical procedures – These procedures are used to obtain audit evidence about potential misstatements. The primary distinguishing feature of substantive analytical procedures is the auditors’ development of an expectation or prediction of what a recorded amount, or ratio based on recorded amounts, should be. Analytical procedures are used in almost all areas of the audit, but some of the areas where we rely more on substantive analytical procedures include but are not limited to: grants revenue and receivable, enterprise funds revenue and receivable, certain accrued liabilities, pension plan reporting, OPEB reporting, certain expenses related to capital assets and debt and investment income.
- Overall review of analytical procedures – These procedures are used in the final review stage of the audit.

## **3. a. Sample sizes and the extent to which statistical sampling is to be used in the engagement**

In a governmental engagement, distinct types of audit procedures may involve the use of audit sampling as follows:

- Substantive tests of details of account balances
- Substantive tests of details of transactions
- Tests of controls, directed toward operating effectiveness or toward compliance
- Tests of compliance with laws and regulations

The two possible approaches to audit sampling are non-statistical and statistical. Either approach may be used to apply whatever tests of details the auditors deem necessary in the circumstances. Typically, we utilize non-statistical sampling for substantive tests. Tests of controls and compliance are typically performed using a statistical sample. Sample sizes are based on the tolerable rate, the risk of assessing control risk too low (risk of over-reliance) and the expected rate of deviations from prescribed controls.

## **3. b. Approach to be taken in drawing audit samples for purposes of tests of compliance**

There are several commonly utilized sampling methods, such as random selection, systematic sampling or haphazard selection. In tests of compliance, the auditors are concerned about whether or not there is evidence of compliance. The minimum sample sizes are based on the significance of the control, inherent risk of the compliance requirement and deviations expected, and such minimum sample sizes range from 25 to 60 based on the assessments of the components above. However, Warren Averett uses professional judgment to determine if larger sample sizes are warranted in order to obtain sufficient appropriate audit evidence that controls are functioning in their particular circumstances.



### c. Identification of Anticipated Potential Audit Problems

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Our goal in any engagement is the avoidance of issues and surprises. Our client service approach aims to eliminate or significantly reduce the likelihood that issues arise and, in the event that issues do arise, they are not surprises. We achieve this by establishing open lines of communication between Warren Averett and the County's management and accounting personnel, as well as the County Commissioners, as appropriate and as required by auditing standards, including being available to **meet live and in-person within 24 hours**. In fact, it is our firm policy to respond to clients within a 24-hour timeframe. By having our Members actively involved throughout the engagement, issues can be addressed and resolved on the front end so that surprises are avoided. Also, all communications to be delivered to the County Board, such as management letters and required communications to those charged with governance, will be presented in draft form to management prior to issuance to ensure we have all of the relevant facts and to get input from management on those findings.

We do not anticipate any problems. The County engagement will be staffed with seasoned professionals who are properly supervised. Likewise, we have a great relationship with the County's Finance and accounting staff members, and they are all talented professionals who are very knowledgeable in governmental accounting and auditing matters.

We do however expect challenges with the implementation of GASB 87 regarding Leases applicable for the year ending September 30, 2022. We have discussed GASB 87 with management of the Clerk and Comptroller's office, the Board of County Commissioners and other elected officials in which there are significant leases. Organizations who have already implemented GASB 87 have indicated the time needed to both gather all leases and review them for applicability under the standards is often underestimated. Once engaged, we will host a training session for all finance professionals within the various entities and enterprise operations to walk through strategies for identifying leases that may be applicable and provide relevant examples of calculations. We are aware the Clerk's office and the BCC are working hand-in-hand to procure software to assist in calculations and we look forward to helping the County navigate this challenge.

If situations arise that modify our scope of work, we would immediately meet with management and the County Commissioners on our plans to look into and determine the potential magnitude of the situation. Given our local bench strength, we are able to deploy resources and quickly provide management and the County Board with our determination of the extent of the situation. This allows management to begin working on correcting its deficiencies and getting back to what's most important, operating the daily functions of the County we call home.

We are committed to Okaloosa County, Florida and ensure if unexpected circumstances arise, we will work in tandem with County management to obtain a full understanding of the issue so that our audit procedures may be modified appropriately, and to meet reporting deadlines.

## d. Report Format

The sample reports provided are the actual audit opinions for the year ended September 30, 2020. The format and language of the auditors' opinions for the year ending September 30, 2022 will change with the implementation of the SAS 134 suite of auditing standards. However, the highest level of assurance an auditor can provide will remain an unmodified opinion.



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### INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman and Members of the  
Board of County Commissioners and Other Elected Officials  
Okaloosa County, Florida

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okaloosa County, Florida, (hereinafter referred to as "County") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2020, and the respective changes in financial position, and cash flows, where applicable, and the respective budgetary comparison for the General Fund, Tourist Development Special Revenue Fund and Natural Disasters Special Revenue Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the County's total OPEB liability and related ratios, schedule of the County's proportionate share of net pension liability, and schedule of County contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General, Local Governmental Entity Audits*, and is also not a required part of the basic financial statements of the County. The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and is not a required part of the basic financial statements of the County. The accompanying schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill is presented for the purpose of additional analysis as required by Florida Statute 288.8018 and the *Rules of the Auditor General*, Chapter 10.557(3)(f), and is not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards and state financial assistance, the schedule of expenditures of passenger facility charges and the schedule of receipts and expenditures related to the Deepwater Horizon Oil Spill are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards and state financial assistance and the schedule of expenditures of passenger facility charges, are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Warren Averett, LLC*

Fort Walton Beach, Florida  
April 20, 2021

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Chairman and Members of the  
Board of County Commissioners and Other Elected Officials  
Okaloosa County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements (hereinafter referred to as "financial statements") of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okaloosa County, Florida (the County) as of and for the year ended September 30, 2020, which collectively comprise the County's basic financial statements and have issued our report thereon dated April 20, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances, for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Warren Averett, LLC*

Fort Walton Beach, Florida  
April 20, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF  
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Chairman and the Members of the  
Board of County Commissioners and Other Elected Officials  
Okaloosa County, Florida

We have examined Okaloosa County, Florida's (hereinafter referred to as the "County") compliance with the following requirements for the year ended September 30, 2020:

- (1) Florida Statute 218.415 in regards to investments
- (2) Florida Statutes 28.35 and 28.36 in regards to certain court-related functions
- (3) Florida Statutes 61.181 in regards to operation of a depository for alimony and child support
- (4) Florida Statute 288.8018 in regards to the Deepwater Horizon Oil spill receipts and expenditures
- (5) Florida Statute 365.172 and 365.173 in regards to the E911 revenues and expenditures

Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Board's compliance with specified requirements.

In our opinion, Okaloosa County, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

*Warren Averett, LLC*

Fort Walton Beach, Florida  
April 20, 2021

**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF RECEIPTS AND  
EXPENDITURES OF FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL**

To the Honorable Chairman and Members of the  
Board of County Commissioners and Other Elected Officials  
Okaloosa County, Florida

We have audited the financial statements of the Okaloosa County, Florida (the County) as of and for the year ended September 30, 2020, and have issued our report thereon dated April 20, 2021, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The Schedule of Receipts and Expenditures of Funds related to the Deepwater Horizon Oil Spill, as listed in the table of contents, is presented for the purpose of additional analysis as required by Chapter 288.8018, Florida Statutes, and the Chapter 10.557(3)(f), *Rules of the Auditor General*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Fort Walton Beach, Florida  
April 20, 2021



## MANAGEMENT LETTER

To the Honorable Chairman and Members of the  
Board of County Commissioners and Other Elected Officials  
Okaloosa County, Florida

### Report on the Financial Statements

We have audited the financial statements of Okaloosa County, Florida (hereinafter referred to as "County") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated April 20, 2021.

### Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida Auditor General*.

### Other Reports and Schedules

We have issued:

- Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*;
- Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance and Compliance with Requirements Applicable to the Passenger Facility Charge Program;
- Schedule of Findings and Questioned Costs;
- Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Florida Auditor General*;

Disclosures in those reports which are dated April 20, 2021, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding annual report.

**Official Title and Legal Authority**

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Okaloosa County, Florida is a political subdivision of the State of Florida organized under Title VIII, Section 1(e) of the Florida constitution. The primary government includes the Board of County Commissioners, the Clerk of the Circuit Court and Comptroller, the Sheriff, the Tax Collector, the Property Appraiser, and the Supervisor of Elections. As of September 30, 2020, Okaloosa County had no component units, as defined by GASB 61, with a significant operational or financial relationship with the County.

**Financial Condition and Management**

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether or not Okaloosa County, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that Okaloosa County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor Okaloosa County, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not identify any such matters.

**Additional Matters**

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended us during our audit.

*Warren Averett, LLC*

Fort Walton Beach, Florida  
April 20, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR  
GENERAL AND COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE  
PASSENGER FACILITY CHARGE PROGRAM**

To the Honorable Chairman and Members of the  
Board of County Commissioners and Other Elected Officials  
Okaloosa County, Florida

**Report on Compliance for Each Major Federal Program, State Project and Passenger Facility  
Charge Program**

We have audited the compliance of Okaloosa County, Florida (hereinafter referred to as "County"), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement*; the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement* and the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, that could have a direct and material effect on each of the County's major federal programs, state projects and passenger facility charge program for the year ended September 30, 2020. The County's major federal programs and state projects are identified in the summary of auditor results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs, state projects and passenger facility charge program.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs, state projects, and passenger facility charge program based on the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, *Rules of the Auditor General*, and the Federal Aviation Administration. Those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major program, state project, and passenger facility charge program. However, our audit does not provide a legal determination of the County's compliance with those requirements.

***Opinion on Each Major Federal Program, State Project, and Passenger Facility Charge Program***

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs, state projects and passenger facility charge program for the fiscal year ended September 30, 2020.

**Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with requirements that could have a direct and material effect on each major federal program, state project or the passenger facility charge program, to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, state project, or passenger facility charge program and to test and report on internal control over compliance in accordance with the Uniform Guidance, Florida Department of Financial Services *State Projects Compliance Supplement*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program, state project or the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program, state project or the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement for a federal program, state project or the passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, Chapter 10.550 *Rules of the Auditor General*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

*Warren Averett, LLC*

Fort Walton Beach, Florida  
April 20, 2021

## Additional Information

Learn more about working with Warren Averett. Get to know our wide range of services and the differences that make our firm truly stand out.

## The Warren Averett Difference

Warren Averett's growth has exceeded that of many other firms solely because we put our clients' needs first. We strive to create a superior experience for every interaction you have with our firm. Because of our flexibility, commitment to our clients, community involvement and readily available resources, Warren Averett is different than other firms.

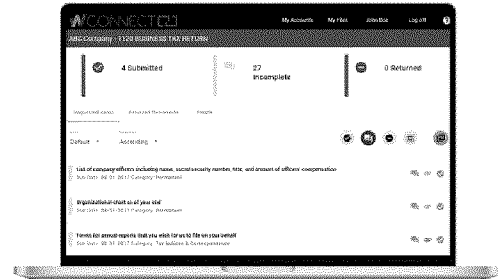
OTHER FIRMS	THE WARREN AVERETT DIFFERENCE
<b>National Firms</b>	<ul style="list-style-type: none"><li>• There is no red tape. We do not have to consult a national office to approve solutions for complicated issues. Our local team is equipped to handle and focus on your goals to achieve success.</li><li>• We provide engagement team continuity. We believe in being a part of your team.</li><li>• We understand you are a unique organization and do not need a cookie-cutter approach. We commit to providing you with tailored service and problem-solving while accommodating your organizational needs.</li><li>• We offer high Member/Manager involvement.</li></ul>
<b>Regional Firms</b>	<ul style="list-style-type: none"><li>• We have a depth of local industry expertise. Many of our professionals have dedicated their entire careers to learning and serving a particular industry.</li><li>• Our affiliation with the BDO Alliance USA gives us access to continuous industry educational training, as well as a sounding board of national industry professionals. The County would continue to enjoy the benefits of this alliance (if needed), having access to the strength and resources of a national firm while receiving the service and local roots of a regional firm.</li></ul>
<b>Local Firms</b>	<ul style="list-style-type: none"><li>• Our firm has bench strength.</li><li>• We offer more expertise and sophisticated solutions than a local firm, without being so large that we lose focus on you.</li></ul>
<b>All Firms</b>	<ul style="list-style-type: none"><li>• Our engagement leadership is highly experienced.</li><li>• With our high-tech advancements, we are able to provide your organization with the best talent for your needs from across our full footprint.</li><li>• We offer value-added practices and services to our clients at no additional cost (including educational opportunities and industry-specific communications).</li></ul>

## Connect, Communicate and Learn More

### RESOURCES OUR CLIENTS LOVE

#### Warren Averett Connect

Our custom, client-centered portal is dedicated to making communicating with your CPA simple and easy. Warren Averett was a winner of the 2019 "Best Firms in Technology Award" by Accounting Today.



#### Convenient

Transfer documents, track progress in real time and interact with your advisor wherever you are



#### Safe

Featuring the highest level of encryption



#### Always-On

24/7 access to filed returns, financial statements and more



#### Personalized

Create custom notifications and reminders

## Warren Averett in the World

[The Warren Averett Blog](#) | [The Wrap Newsletter](#) | [The Wrap Podcast](#) | [Events and Webinars](#)

#### Follow Us:



@WarrenAverett



@Warren Averett



@thewateam



@warrenaverett

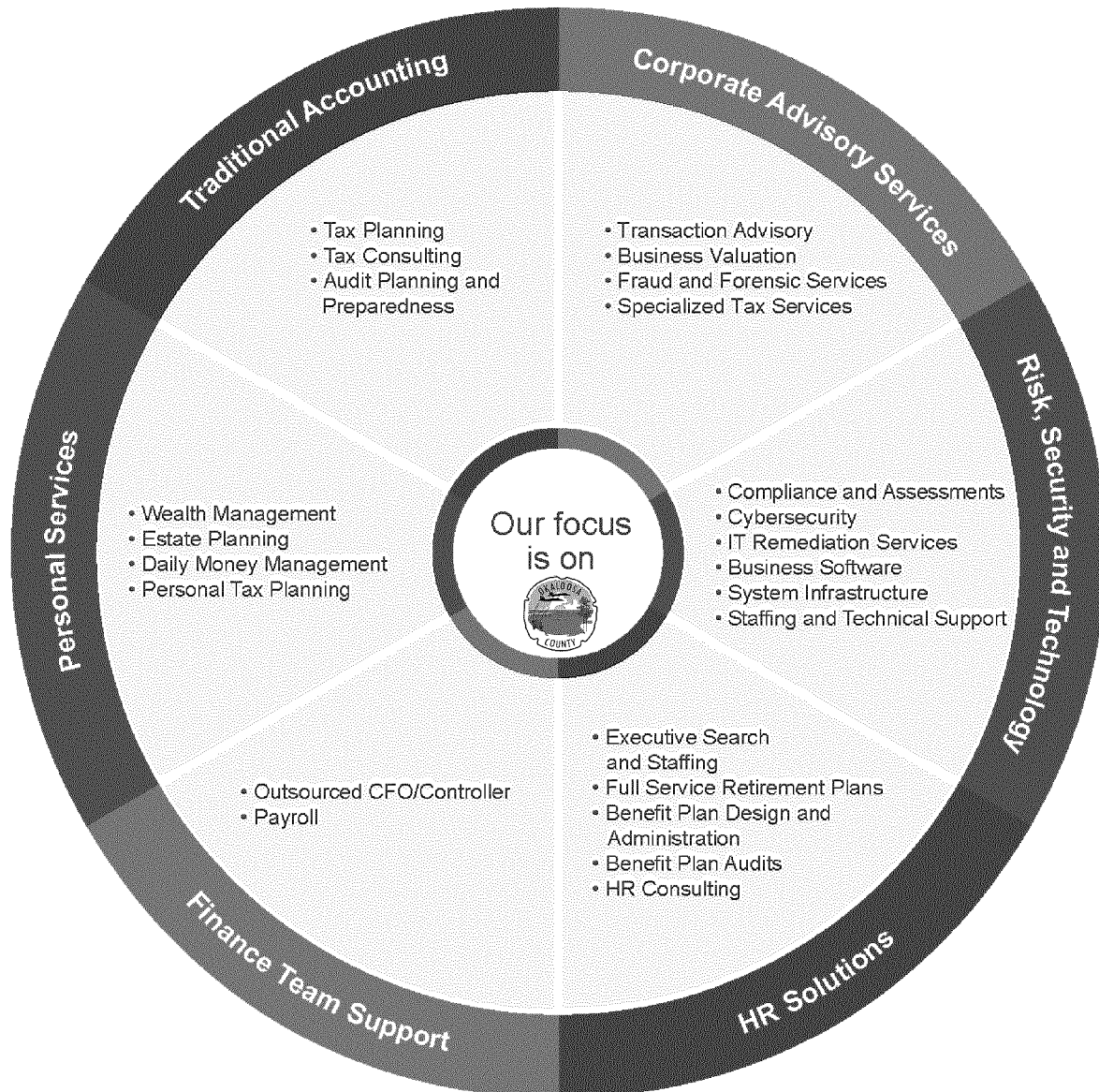


**Thrive Every Day**  
**HOLISTIC BUSINESS SERVICES**

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**Warren Averett 360**

Solutions Beyond Traditional Accounting



## A. Drug-Free Workplace Certification

### DRUG-FREE WORKPLACE CERTIFICATION

THE BELOW SIGNED RESPONDENT CERTIFIES that it has implemented a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

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

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

DATE: 04.07.2022 SIGNATURE: *Angela D. Balent*  
COMPANY: Warren Averett, LLC NAME: Angela D. Balent, CPA  
(Typed or Printed)  
ADDRESS: 45 Eglin Parkway, N.E. TITLE: Member  
Suite 301  
Fort Walton Beach, FL 32548  
PHONE NO. 850.275.1224 E-MAIL: Angela.Balent@warrenaverett.com

## B. Conflict of Interest Disclosure Form

### CONFLICT OF INTEREST DISCLOSURE FORM

For purposes of determining any possible conflict of interest, all respondents, must disclose if any Okaloosa Board of County Commissioner, employee(s), elected officials(s), or if any of its agencies is also an owner, corporate officer, agency, employee, etc., of their business.

Indicate either "yes" (a county employee, elected official, or agency is also associated with your business), or "no". If yes, give person(s) name(s) and position(s) with your business.

YES: \_\_\_\_\_ NO: x \_\_\_\_\_

NAME(S)

POSITION(S)


FIRM NAME: Warren Averett, LLC

BY (PRINTED): Angela D. Balent

BY (SIGNATURE): *Angela D. Balent*

TITLE: Member

ADDRESS: 45 Eglin Parkway N.E., Suite 301

PHONE NO.: 850.275.1224

E-MAIL : Angela.Balent@warrenaverett.com

DATE: 04.07.2022

## C. Federal E-Verify Compliance Certification

### FEDERAL E-VERIFY COMPLIANCE CERTIFICATION

In accordance with Okaloosa County Policy and Executive Order Number 11-116 from the office of the Governor of the State of Florida, Respondent hereby certifies that the U.S. Department of Homeland Security's E-Verify system will be used to verify the employment eligibility of all new employees hired by the respondent during the contract term, and shall expressly require any subcontractors performing work or providing services pursuant to the contract to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the contract term; and shall provide documentation such verification to the COUNTY upon request.

As the person authorized to sign this statement, I certify that this company complies/will comply fully with the above requirements.

DATE: 04.07.2022

SIGNATURE: \_\_\_\_\_

*Angela D. Balent*

COMPANY: Warren Averett, LLC

NAME: Angela D. Balent, CPA

ADDRESS: 45 Eglin Parkway, N.E.

TITLE: Member

Suite 301

Fort Walton Beach, FL 32548

E-MAIL: Angela.Balent@warrenaverett.com

PHONE NO.: 850.275.1224

## D. Cone of Silence

### CONE OF SILENCE

The Board of County Commissioners have established a solicitation silence policy (Cone of Silence) that prohibits oral and written communication regarding all formal solicitations for goods and services (ITB, RFP, ITQ, ITN, and RFP) or other competitive solicitation between the bidder (or its agents or representatives) or other entity with the potential for a financial interest in the award (or their respective agents or representatives) regarding such competitive solicitation, and any County Commissioner or County employee, selection committee member or other persons authorized to act on behalf of the Board including the County's Architect, Engineer or their sub-consultants, or anyone designated to provide a recommendation to award a particular contract, other than the Purchasing Department Staff.

The period commences from the time of advertisement until contract award.

Any information thought to affect the committee or staff recommendation submitted after bids are due, should be directed to the Purchasing Manager or an appointed representative. It shall be the Purchasing Manager's decision whether to consider this information in the decision process.

Any violation of this policy shall be grounds to disqualify the Respondent from consideration during the selection process.

All Respondents must agree to comply with this policy by signing the following statement and including it with their submittal.

I Angela D. Balent representing Warren Averett, LLC  
Signature Company Name

On this 7 day of April 2022, I hereby agree to abide by the County's "Cone of Silence Clause" and understand violation of this policy shall result in disqualification of my proposal/submittal.

## E. Indemnification and Hold Harmless

### INDEMNIFICATION AND HOLD HARMLESS

To the fullest extent permitted by law, Respondent shall indemnify and hold harmless the County, its officers and employees from liabilities, damages, losses, and costs including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of the Respondent and other persons employed or utilized by the Respondent in the performance of this Agreement.

**Warren Averett, LLC**

Respondent's Company Name

45 Eglin Parkway N.E., Suite 301 Fort Walton Beach, FL 32548

Physical Address

PO Box 1600 Fort Walton Beach, FL 32549

Mailing Address

**850.275.1224**

Phone Number

**850.865.8434**

Cellular Number

**04.07.2022**

Date

*Angela D. Balent*

Authorized Signature – Manual

**Angela D. Balent, CPA**

Authorized Signature – Typed

**Member**

Title

**850.664.2562**

FAX Number

**850.865.8434**

After-Hours Number(s)

## F. Company Data

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### COMPANY DATA

Respondent's Company Name: Warren Averett, LLC

Physical Address & Phone #: 45 Eglin Parkway N.E., Suite 301  
Fort Walton Beach, FL 32548  
850.244.5121

Contact Person (Typed-Printed): Angela D. Balent, CPA

Phone #: 850.275.1224

Cell #: 850.865.8434

Email: Angela.Balent@warrenaverett.com

Federal ID or SS #: 45-4084437

DUNS' #: 183651830

Respondent's License #: AD0049478

Fax #: 850.664.2562

Emergency #'s After Hours,  
Weekends & Holidays: 850.865.8434

**\*THE EMAIL ADDRESS INFORMATION PROVIDED WILL BE USED FOR AWARD/NON-AWARD NOTIFICATION\***

## G. Addendum Acknowledgement

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**ADDENDUM ACKNOWLEDGEMENT**  
**RFP BCC 28-22**

Acknowledgment is hereby made of the following addenda (identified by number) received since issuance of solicitation:

**ADDENDUM NO.**

**DATE**

No Addenda were issued.


NOTE: Prior to submitting the response to this solicitation, it is the responsibility of the respondent to confirm if any addenda have been issued. If such addenda have been issued, acknowledge receipt by noting number(s) and date(s) above.



## H. Certification Regarding Lobbying

### **LOBBYING - 31 U.S.C. 1352, 49 CFR Part 20, 6 CFR Part 9, 31 CFR Part 21**

#### **CERTIFICATION REGARDING LOBBYING**

Certification for Contracts, Grants, Loans, and Cooperative Agreements  
(To be submitted with each bid or offer exceeding \$100,000)

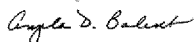
The undersigned [Contractor] certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. [
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

*This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.*

*[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.]*

The Contractor, **Warren Averett, LLC**, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, et seq., apply to this certification and disclosure, if any.



Signature of Contractor's Authorized Official

Angela D. Balent, CPA, Member

Name and Title of Contractor's Authorized Official

04.07.2022

Date

## I. Government-Wide Debarment, Suspension

### Government Debarment & Suspension

#### Instructions

1. By signing and submitting this form, the prospective lower tier participant is providing the certification set out in accordance with these instructions.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person(s) to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Orders 12549, at Subpart C of OMB 2 C.F.R. Part 180 and 3000.332. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the System for Award Management (SAM) database.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph (5) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**Certification Regarding Debarment, Suspension,  
Ineligibility and Voluntary Exclusion  
Lower Tier Covered Transactions**

The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552(a), as amended). This certification is required by the regulations implementing Executive Orders 12549, Debarment and Suspension, and OMB 2 C.F.R. Part 180, Participants' responsibilities. The regulations were amended and published on August 31, 2005, in 70 Fed. Reg. 51865-51880.

**[READ INSTRUCTIONS ON PREVIOUS PAGE BEFORE COMPLETING  
CERTIFICATION]**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State department or agency;
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal

---

Printed Name and Title of Authorized Representative Angela D. Balent, CPA, Member

Angela D. Balent

Signature

04.07.2022

Date

## J. System of Award Management

### SYSTEM FOR AWARD MANAGEMENT (OCT 2016)

(a) Definitions. As used in this provision.

“Electronic Funds Transfer (EFT) indicator” means a four-character suffix to the unique entity identifier. The suffix is assigned at the discretion of the commercial, nonprofit, or Government entity to establish additional System for Award Management records for identifying alternative EFT accounts (see subpart 32.11) for the same entity.

“Registered in the System for Award Management (SAM) database” means that.

(1) The Offeror has entered all mandatory information, including the unique entity identifier and the EFT indicator, if applicable, the Commercial and Government Entity (CAGE) code, as well as data required by the Federal Funding Accountability and Transparency Act of 2006 (see subpart 4.14) into the SAM database;

(2) The offeror has completed the Core, Assertions, and Representations and Certifications, and Points of Contact sections of the registration in the SAM database;

(3) The Government has validated all mandatory data fields, to include validation of the Taxpayer Identification Number (TIN) with the Internal Revenue Service (IRS). The offeror will be required to provide consent for TIN validation to the Government as a part of the SAM registration process; and

(4) The Government has marked the record “Active”.

“Unique entity identifier” means a number or other identifier used to identify a specific commercial, nonprofit, or Government entity. See [www.sam.gov](http://www.sam.gov) for the designated entity for establishing unique entity identifiers.

(b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the SAM database prior to award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

(2) The Offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation “Unique Entity Identifier” followed by the unique entity identifier that identifies the Offeror’s name and address exactly as stated in the offer. The Offeror also shall enter its EFT indicator, if applicable. The unique entity identifier will be used by the Contracting Officer to verify that the Offeror is registered in the SAM database.

(c) If the Offeror does not have a unique entity identifier, it should contact the entity designated at [www.sam.gov](http://www.sam.gov) for establishment of the unique entity identifier directly to obtain one. The Offeror should be prepared to provide the following information:

- (1) Company legal business name.
- (2) Tradestyle, doing business, or other name by which your entity is commonly recognized.
- (3) Company Physical Street Address, City, State, and Zip Code.
- (4) Company Mailing Address, City, State and Zip Code (if separate from physical).
- (5) Company telephone number.
- (6) Date the company was started.
- (7) Number of employees at your location.
- (8) Chief executive officer/key manager.
- (9) Line of business (industry).

(10) Company Headquarters name and address (reporting relationship within your entity).

(d) If the Offeror does not become registered in the SAM database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror.

(e) Processing time, which normally takes 48 hours, should be taken into consideration when registering. Offerors who are not registered should consider applying for registration immediately upon receipt of this solicitation.

(f) Offerors may obtain information on registration at <https://www.acquisition.gov>.

Offerors SAM information:

Entity Name:	<u>Warren Averett, LLC</u>
Entity Address:	<u>2500 Acton Road Birmingham AL35243</u>
Duns Number:	<u>S1UNW1L3S2Y3</u>
CAGE Code:	<u>7PGL8</u>

## K. Vendors on Scrutinized List

### VENDORS ON SCRUTINIZED COMPANIES LISTS

By executing this Certificate, the bid proposer, certifies that it is not: (1) listed on the Scrutinized Companies that Boycott Israel List, created pursuant to section 215.4725, Florida Statutes, (2) engaged in a boycott of Israel, (3) listed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, Florida Statutes, or (4) engaged in business operations in Cuba or Syria. Pursuant to section 287.135(5), Florida Statutes, the County may disqualify the bid proper immediately or immediately terminate any agreement entered into for cause if the bid proposer is found to have submitted a false certification as to the above or if the Contractor is placed on the Scrutinized Companies that Boycott Israel List, is engaged in a boycott of Israel, has been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has been engaged in business operations in Cuba or Syria, during the term of the Agreement. If the County determines that the bid proposer has submitted a false certification, the County will provide written notice to the bid proposer. Unless the bid proposer demonstrates in writing, within 90 calendar days of receipt of the notice, that the County's determination of false certification was made in error, the County shall bring a civil action against the bid proposer. If the County's determination is upheld, a civil penalty shall apply, and the bid proposer will be ineligible to bid on any Agreement with a Florida agency or local governmental entity for three years after the date of County's determination of false certification by bid proposer.

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

DATE: 04.07.2022

SIGNATURE: Angela D. Balent

COMPANY: Warren Averett, LLC

NAME: Angela D. Balent, CPA  
(Typed or Printed)

ADDRESS: 45 Eglin Parkway, N.E.

TITLE: Member

Suite 301

E-MAIL: Angela.Balent@warrenaverett.com

Fort Walton Beach, FL 32548

PHONE NO.: 850.275.1224

## L. Grant Funded Clauses

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### Title VI Clauses for Compliance with Nondiscrimination Requirements Compliance with Nondiscrimination Requirements

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations: The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. Non-discrimination: The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.
4. Information and Reports: The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance: In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - a. Withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. Incorporation of Provisions: The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by

the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### Title VI List of Pertinent Nondiscrimination Acts and Authorities

##### Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by



discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

#### FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The [contractor | consultant] has full responsibility to monitor compliance to the referenced statute or regulation. The [contractor | consultant] must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

#### OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

#### E-VERIFY

Enrollment and verification requirements.

- (1) If the Contractor is not enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall-
  - a. Enroll. Enroll as a Federal Contractor in the E-Verify Program within thirty (30) calendar days of contract award;
  - b. Verify all new employees. Within ninety (90) calendar days of enrollment in the E-Verify program, begin to use E-Verify to initiate verification of employment eligibility of all new hires of the Contractor, who are working in the United States, whether or not

assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); and,

- c. Verify employees assigned to the contract. For each employee assigned to the contract, initiate verification within ninety (90) calendar days after date of enrollment or within thirty (30) calendar days of the employee's assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section.)

(2) If the Contractor is enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall use E-Verify to initiate verification of employment eligibility of

a. All new employees.

i. Enrolled ninety (90) calendar days or more. The Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); or

b. Enrolled less than ninety (90) calendar days. Within ninety (90) calendar days after enrollment as a Federal Contractor in E-Verify, the Contractor shall initiate verification of all new hires of the contractor, who are working in the United States, whether or not assigned to the contract, within three (3) business days after the date of hire (but see paragraph (b)(3) of this section); or

ii. Employees assigned to the contract. For each employee assigned to the contract, the Contractor shall initiate verification within ninety (90) calendar days after date of contract award or within thirty (30) days after assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section.)

(3) If the Contractor is an institution of higher education (as defined at 20 U.S.C. 1001(a)); a State of local government or the government of a Federally recognized Indian tribe, or a surety performing under a takeover agreement entered into with a Federal agency pursuant to a performance bond, the Contractor may choose to verify only employees assigned to the contract, whether existing employees or new hires. The Contractor shall follow the applicable verification requirements of (b)(1) or (b)(2), respectively, except that any requirement for verification of new employees applies only to new employees assigned to the contract.

(4) Option to verify employment eligibility of all employees. The Contractor may elect to verify all existing employees hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), rather than just those employees assigned to the contract. The Contractor shall initiate verification for each existing employee working in the United States who was hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), within one hundred eighty (180) calendar days of-

- i. Enrollment in the E-Verify program; or

ii. Notification to E-Verify Operations of the Contractor's decision to exercise this option, using the contract information provided in the E-Verify program Memorandum of Understanding (MOU)

(5) The Contractor shall comply, for the period of performance of this contract, with the requirements of the E-Verify program MOU.

i. The Department of Homeland Security (DHS) or the Social Security Administration (SSA) may terminate the Contractor's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Contractor, will be referred to a suspension or debarment official.

ii. During the period between termination of the MOU and a decision by the suspension or debarment official whether to suspend or debar, the contractor is excused from its obligations under paragraph (b) of this clause. If the suspension or debarment official determines not to suspend or debar the Contractor, then the Contractor must reenroll in E-Verify.

iii. Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

Individuals previously verified. The Contractor is not required by this clause to perform additional employment verification using E-Verify for any employee-

- (a) Whose employment eligibility was previously verified by the Contractor through the E-Verify program;
- (b) Who has been granted and holds an active U.S. Government security clearance for access to confidential, secret, or top secret information in accordance with the National Industrial Security Program Operating Manual; or
- (c) Who has undergone a completed background investigation and been issued credentials pursuant to Homeland Security Presidential Directive (HSPD)-12. Policy for a Common Identification Standard for Federal Employees and Contractors.

Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph e (appropriately modified for identification of the parties in each subcontract that-

- (1) Is for-(i) Commercial and noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or (ii) Construction;
  - (2) Has a value of more than \$3,500; and
  - (3) Includes work performed in the United States.
-

As the person authorized to sign this statement, I certify that this company complies/will comply fully with the above requirements.

DATE: 04.07.2022

SIGNATURE: Angela D. Balent

COMPANY: Warren Averett, LLC

NAME: Angela D. Balent, CPA

ADDRESS: 45 Eglin Parkway, N.E.  
Suite 301  
Fort Walton Beach, FL 32548

TITLE: Member

E-MAIL: Angela.Balent@warrenaverett.com

PHONE NO.: 850.275.1224

### Grant Funded Clauses

This Exhibit is hereby incorporated by reference into the main *Procurement*.

#### FEDERAL PROVISION RELATED TO GRANT FUNDS THAT MAY BE USED TO FUND THE SERVICES AND GOODS UNDER THIS *SOLICITATION*

This *solicitation* is or may become fully or partially Federally Grant funded. To the extent applicable, in accordance with Federal law, respondents shall comply with the clauses as enumerated below. *Proposer* shall adhere to all grant conditions as set forth in the requirements of grant no. Including, but not limited to, those set forth below, as well as those listed below, which are incorporated herein by reference:

- a. 2 CFR, 25.110
- b. 2 CFR Part 170 (including Appendix A), 180, 200 (including Appendixes), and 3000
- c. Executive Orders 12549 and 12689
- d. 41 CFR s. 60-1(a) and (d)
- e. Consolidated Appropriations Act, 2021, Public Law 116-260 related to salary limitations

These cited regulations are hereby incorporated and made part of this *Solicitation* as if fully set forth herein. As stated above, this list is not all inclusive, any other requirement of law applicable in accordance with the Federal, State or grant requirements are also applicable and hereby incorporated into this *Solicitation*. If Proposer cannot adhere to or objects to any of the applicable federal requirements, Proposers proposal may be deemed by the County as unresponsive. The provisions in this exhibit are supplemental and in addition to all other provisions within the *procurement*. In the event of any conflict between the terms and conditions of this Exhibit and the terms and conditions of the remainder of the *procurement*, the conflicting terms and conditions of this Exhibit shall prevail. However, in the event of any conflict between the terms and conditions of this Exhibit and the terms and conditions of any federal grant funding document provided specific to the funds being used to contract services or goods under this *Procurement* the conflicting terms and conditions of that document shall prevail.

**Drug Free Workplace Requirements (Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.), 2 CFR § 182):** Applicability: As required in the Drug-free workplace requirements in accordance with Drug Free Workplace Act of 1988 (Pub L 100-690, Title V, Subtitle D). Requirement: to the extent applicable, *proposer* must comply with Federal Drug Free workplace requirements as Drug Free Workplace Act of 1988.

**Conflict of Interest (2 CFR § 200.112):** Applicability: Any federal grant funded Contract or Contract that may receive federal grant funds. Requirement: The *proposer* must disclose in writing any potential conflict of interest to the County or pass-through entity in accordance with applicable Federal policy. Further, the County is required to maintain conflict of interest policies as it relates to procured contracts. In accordance with the Okaloosa County Purchasing Manual section 41.05(8), a conflict of interest exists when and of the following occur: i. Because of other activities, relationships, or contracts, a *proposer* is unable, or potentially unable, to render impartial assistance or advice; ii. A *proposer's* objectivity in performing the contract work is or might be otherwise impaired; or iii. The *proposer* has an unfair competitive advantage.

**Mandatory Disclosures (31 U.S.C. §§ 3799 – 3733):** Applicability: All Contracts using federal grants funds, or which may use federal grant funds. Requirement: *proposer* acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the *proposer's* actions pertaining to this *solicitation*. The contractor must disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

**Utilization of Minority and Women Firms (M/WBE) (2 CFR § 200.321):** Applicability: All federally grant funded Contracts or Contracts which may use federal grant funds. Requirement: The *proposer* must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible, in accordance with 2CFR 200.321. If subcontracts are to be let, prime *proposer* will require compliance by all sub-contractors. Prior to contract award, the *proposer* shall document efforts to utilize M/WBE firms including what firms were solicited as suppliers and/or subcontractors as applicable and submit this information with their bid submittal. Information regarding certified M/WBE firms can be obtained from:

Florida Department of Management Services (Office of Supplier Diversity)  
Florida Department of Transportation  
Minority Business Development Center in most large cities and  
Local Government M/DBE programs in many large counties and cities

**Equal Employment Opportunity (As per 2 CFR Part 200, Appendix II(C); 41 CFR § 61-1.4; 41 CFR § 61-4.3; Executive Order 11246 as amended by Executive Order 11375):** Applicability: except as otherwise provided under 41 CFR Part 60, applies to all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3. Requirement: During the performance of this Contract, the *proposer* agrees as follows: (1) The *Proposer* will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The *Proposer* will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The *Proposer* agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause; (2) The *Proposer* will, in all solicitations or advertisements for employees placed by or on behalf of the *Proposer*, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin; (3) The *Proposer* will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the *Proposer's* commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment; (4) The *Proposer* will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor; (5) The *Proposer* will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.; (6) In the event of the *Proposer's* noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the *Proposer* may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.; (7) *Proposer* will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The *Proposer* will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a *Proposer* becomes involved in,

or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the *Proposer* may request the United States to enter into such litigation to protect the interests of the United States.

**Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148, as supplemented by 29 CFR Part 5):**

Applicability: When required by Federal Program legislation, grant funding, and all prime construction contracts in excess of \$2,000 awarded by non-Federal entities, including Okaloosa County. Requirement: If applicable to this *solicitation*, the *proposer* agrees to comply with all provisions of the Davis Bacon Act as amended (40 U.S.C. 3141-3148). *Proposer* are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. If the grant award contains Davis Bacon provisions, the County will place a copy of the current prevailing wage determination issued by the Department of Labor in the solicitation document. The decision to award a contract shall be conditioned upon the acceptance of the wage determination.

**Copeland Anti Kick Back Act (40 U.S.C. § 3145 as supplemented by 29 CFR Part 3):**

Applicability: When required by Federal Program legislation, grant funding, and all prime construction contracts in excess of \$2,000 awarded by non-Federal entities, including Okaloosa County. Requirement: If applicable to this *Solicitation*, *proposer* shall comply with all the requirements of 18 U.S.C. § 874, 40 U.S.C. § 3145, 29 CFR Part 3 which are incorporated by reference to this *solicitation*. *Proposer* are prohibited from inducing by any means any person employed in the construction, completion or repair of public work to give up any part of the compensation to which he or she is otherwise entitled.

**Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708 as supplemented by 29 CFR Part 5):**

Applicability: All contracts awarded in excess of \$100,000 that involve the employment of mechanics or laborers. Requirement: All contracts awarded in excess of \$100,000 that involve the employment of mechanics or laborers must be in compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions, which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

**Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387, as amended):**

Applicability: Contracts and subgrants of amounts in excess of \$150,000.00. Requirement: *proposer* agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

**Debarment and Suspension (2 CFR part 180, Executive Orders 12549 and 12689):**

Applicability: All contracts with federal grant funding or possibility of federal grant funds being used. Requirement: *proposer* certifies that it and its principals, if applicable, are not presently debarred or suspended by any Federal department or agency from participating in this transaction. *Proposer* now agrees to verify, to the extent applicable that for each lower tier subcontractor that exceeds \$25,000 as a “covered transaction” under the Services to be provided is not presently disbarred or otherwise disqualified from participating in the federally assisted services. The *proposer* agrees to accomplish this verification by: (1) Checking the System for Award

Management at website: <http://www.sam.gov>; (2) Collecting a certification statement similar to the Certification of Offeror /Bidder Regarding Debarment, herein; (3) Inserting a clause or condition in the covered transaction with the lower tier contract.

**Byrd Anti-Lobbying Amendment (31 U.S.C. 1352):** Applicability: Applicable to any individual/entity that applies or bids/procures an award in excess of \$100,000. Requirement: *proposer* must file the required certification, attached to the procurement. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. The contractor shall certify compliance.

**Rights to Inventions Made Under a Contract or Agreement (37 CFR Part 401):** Applicability: If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 additional Standard patent rights clauses in accordance with 37 CFR § 401.14 shall apply. Requirement: Please contact the County for further information related to the applicable standard patent rights clauses.

**Procurement of Recovered Materials (2 CFR 200.323 and 40 CFR Part 247):** Applicability: All contractors of Okaloosa County when federal funds may be or are being used under the Contract. Requirement: *proposer* must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

**Access to Records and Reports:** Applicability: All Contracts that received or may receive federal grant funding. Requirement: *Proposer* will make available to the County's granting agency, the granting agency's Office of Inspector General, the Government Accountability Office, the Comptroller General of the United States, Okaloosa County, Okaloosa County Clerk of Court's Inspector General, or any of their duly authorized representatives any books, documents, papers or other records, including electronic records, of the contractor that are pertinent to the County's grant award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. The right also includes timely and reasonable access to the contractor's personnel during normal business hours for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are retained.

**Record Retention (2 CFR § 200.33):** Applicability: All Contracts that received or may receive federal grant funding. Requirement: *proposer* will retain of all required records pertinent to this contract for a period of three years, beginning on a date as described in 2 C.F.R. §200.333 and retained in compliance with 2 C.F.R. §200.333.

**Federal Changes:** *Proposer* shall comply with all applicable Federal agency regulations, policies, procedures and directives, including without limitation those listed directly or by reference, as they may be amended or promulgated from time to time during the term of *any awarded contract*.



**Termination for Default (Breach or Cause):** Applicability: All Contracts that may receive federal funds or that are federally funded above the micro-purchase amount. Requirement: If Contractor does not deliver supplies in accordance with the contract delivery schedule, or, if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the County may terminate the contract for default. Termination shall be effected by serving a notice of termination on the contractor setting forth the manner in which the Contractor is in default. The contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract.

**Termination for Convenience:** Applicability: All Contracts that may receive federal funds or that are federally funded above the micro-purchase amount. Requirement: *Any Awarded Contract* may be terminated by Okaloosa County in whole or in part at any time, upon ten (10) days written notice. If the Contract is terminated before performance is completed, the *Contractor* shall be paid only for that work satisfactorily performed for which costs can be substantiated.

**Safeguarding Personal Identifiable Information (2 CFR § 200.82):** Applicability: All Contracts receiving, or which may receive federal grant funding. Requirement: *proposer* will take reasonable measures to safeguard protected personally identifiable information and other information designated as sensitive by the awarding agency or is considered sensitive consistent with applicable Federal, state and/or local laws regarding privacy and obligations of confidentiality.

**Prohibition On Utilization Of Cost Plus A Percentage Of Cost Contracts (2 CFR Part 200):** Applicability: All Contracts receiving or which may receive federal grant funding. Requirement: The County will not award contracts containing Federal funding on a cost-plus percentage of cost basis.

**Energy Policy and Conservation Act (43 U.S.C. § 6201 and 2 CFR Part 200 Appendix II (H)):** Applicability: For any contracts except micro-purchases (\$3000 or less, except for construction contracts over \$2000). Requirement: *proposer* shall comply with mandatory standards and policies relating to energy efficiency, stating in the state energy conservation plan issued in compliance with the Energy Policy and Conservation act. (Pub. L. 94-163, 89 Stat. 871) [53 FR 8078, 8087, Mar. 11, 1988, as amended at 60 FR 19639, 19645, Apr. 19, 1995].

**Trafficking Victims Protection Act (2 CFR Part 175):** Applicability: All federally grant funded contracts or contracts which may become federally grant funded. Requirement: *Proposer* will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits *Proposer* from (1) engaging in severe forms of trafficking in persons during the period of time that *resulting contract* is in effect; (2) procuring a commercial sex act during the period of time that *resulting contract* is in effect; or (3) using forced labor in the performance of the contracted services under a *resulting contract*. A *resulting contract* may be unilaterally terminated immediately by County for *Proposer's* violating this provision, without penalty.

**Domestic Preference For Procurements (2 CFR § 200.322):** Applicability: All Contracts using federal grant funds or which may use federal grant funds. Requirement: As appropriate and to the extent consistent with law, to the greatest extent practicable when using federal funds for the services provided in a *resulting contract*, shall provide a preference for the purchase, acquisition, or use of goods and products or materials produced in the United States.

**Buy America (Build America, Buy America Act (Public Law 117-58, 29 U.S.C. § 50101, Executive Order 14005)):** Applicability: Applies to purchases of iron, steel, manufactured products and construction materials permanently incorporated into infrastructure projects, where federal grant funding agency requires it or if the

grant funds which may come from any federal agency, but most commonly: the U.S. Environmental Protection Agency (EPA), the U.S. Federal Transit Administration (FTA), the US Federal Highway Administration (FHWA), the U.S. Federal Railroad Administration (FRA), Amtrack and the U.S. Federal Aviation Administration (FAA). Requirement: All iron, steel, manufactured products and construction materials used under a federally grant funded project must be produced in the United States. Additional requirements may apply depending on the Federal Granting Agency provisions, please check with Okaloosa County for further details. Proposers shall be required to submit a completed Buy America Certificate with this procurement, an incomplete certificate may deem the proposers submittal non-responsive.

**Prohibition On Certain Telecommunications And Video Surveillance Services Or Equipment (2 CFR § 200.216):** Applicability: All Contracts using federal grant funds or which may use federal grant funds. Requirement: *Proposer* and any subcontractors are prohibited to obligate or spend grant funds to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain; or (3) enter into a contract to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Pub. L. 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities). i. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities). ii. Telecommunications or video surveillance services provided by such entities or using such equipment. iii. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise, connected to the government of a covered foreign country.

**Enhanced Whistleblower Protections (41 U.S.C. § 4712):** Applicability: National Defense Authorization Act of 2013 extending whistleblower protections to *Proposer* employees may apply to the Federal grant award dollars involved with a *resulting contract*. Requirement: See 42 U.S. Code § 4712 for further requirements. Requirement: An employee of *Proposer* and/or its subcontractors may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in 42 U.S.C. § 4712(a)(2) information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant.

**Federal Funding Accountability and Transparency Act (FFATA) (2 CFR § 200.300; 2 CFR Part 170):** Applicability: All Contracts that may receive federal grant funding or are funded with federal grant funding. Requirement: In accordance with FFATA, the *Proposer* shall, upon request, provide Okaloosa County the names and total compensation of the five most highly compensated officers of the entity, if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in federal awards, received \$25,000,000 or more in annual gross revenues from federal awards, and if the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 or section 6104 of the Internal Revenue Code of 1986.

**Federal Awardee Performance and Integrity Information System (FAPIS)( The Duncan Hunter National Defense Authorization Act of 2009 (Public Law 110-417 and 2 CFR Part 200 Appendix XII):** Applicability: All Contracts that may receive federal grant funding or are funded with federal grant funding.

Requirement: The *Proposer* shall update the information in the Federal Awardee Performance and Integrity Information System (FAPIS) on a semi-annual basis, throughout the life of this contract, by posting the required information in the System for Award Management via <https://www.sam.gov>.

**Never Contract With The Enemy (2 CFR Part 183):** Applicability: only to grant and cooperative agreements in excess of \$50,000 performed outside of the United States, including U.S. territories and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities. Requirement: *proposer* must exercise due diligence to ensure that none of the funds, including supplies and services, received are provided directly or indirectly (including through subawards or contracts) to a person or entity who is actively opposing the United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, which must be completed through 2 CFR 180.300 prior to issuing a subcontract.

**Federal Agency Seals, Logos and Flags:** Applicability: All Contracts that may receive federal grant funding or are funded with federal grant funding. Requirement: The *proposer* shall not use any Federal Agency seal(s), logos, crests, or reproductions of flags or likenesses of any federal agency officials without specific federal agency pre-approval.

**No Obligation by Federal Government:** Applicability: All Contracts that may receive federal grant funding or are funded with federal grant funding. Requirement: The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from a resulting contract.

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The Member on behalf of  
Warren Averett, LLC the *proposer* is authorized to sign below and confirm the *proposer*  
is fully able to comply with these requirements, federal terms and conditions and has on made any inquiries  
and further examination of the law and requirements as is necessary to comply.

DATE: 04.07.2022

SIGNATURE: Angela D. Balent

COMPANY: Warren Averett, LLC

NAME: Angela D. Balent, CPA

ADDRESS: 45 Eglin Parkway, N.E.  
Suite 301  
Fort Walton Beach, FL 32548

TITLE: Member

E-MAIL: Angela.Balent@warrenaverett.com

PHONE NO.: 850.275.1224

## M. List of References

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### References:

List a minimum of three (3) references which reflect experience in similar work, to include nature and scope of work, which demonstrates an expertise in providing the services as stated herein, within the past five (5) years. Provide scope of work, contact name, addresses, telephone numbers and dates of service. **Failure to provide references as requested may result in rejection of proposal.**

**Reference #1**  
Organization Name: Okaloosa County, Florida Telephone #: 850.651.7515  
Contact Name: John Hofstad E-mail Address: jhofstad@myokaloosa.com  
Scope of Work Provided: Audit in accordance with GAAS and GAGAS/Single Audit

**Reference #2**  
Organization Name: Okaloosa County, Florida Telephone #: 850.689.5818  
Contact Name: JD Peacock, II E-mail Address: jdpeacock@okaloosaclerk.com  
Scope of Work Provided: Audit in accordance with GAAS and GAGAS/Single Audit

**Reference #3**  
Organization Name: City of Fort Walton Beach, Florida Telephone #: 850.833.9504  
Contact Name: Michael Beedie E-mail Address: mbeedie@fwb.org  
Scope of Work Provided: Audit in accordance with GAAS and GAGAS/Single Audit

## N. Certificate of Good Standing State of Florida

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### *State of Florida Department of State*

I certify from the records of this office that WARREN AVERETT LLC is an Alabama limited liability company authorized to transact business in the State of Florida, qualified on January 5, 2012.

The document number of this limited liability company is M12000000110.

I further certify that said limited liability company has paid all fees due this office through December 31, 2022, that its most recent annual report was filed on March 31, 2022, and that its status is active.

I further certify that said limited liability company has not filed a Certificate of Withdrawal.

*Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capital, this  
the Seventh day of April, 2022*



*Randy Be*  
**Secretary of State**

Tracking Number: 2283715572CU

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

## O. Sworn Statement – Public Entity Crimes

### 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 OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted for Warren Averett, LLC

2. This sworn statement is submitted by Angela D. Balent, CPA, Member

Whose business address is: 45 Eglin Parkway N.E., Suite 301 Fort Walton Beach, FL 32548

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

(If entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: 45-4084437

3. My name is Angela D. Balent, CPA and my relationship to the entity named above is Member

4. I understand that a “public entity crime” as defined in Section 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 of the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that “convicted” or “conviction” as defined in Section 287.133 (1) (b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without adjudication of guilt, in any federal or state trial court of record, relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an “affiliate” as defined in Section 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 a 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 Section 287.133(1) (e), 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 a 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, that statement which I have marked below is true in relation to the entity submitting this sworn statement. [Please indicate which statement applies.]

☒ Neither the entity submitting this sworn statement, nor one or more of the 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 public entity crime subsequent to July 1, 1989.

☐ There has been a proceeding concerning the conviction before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer did not place the person or affiliate on the convicted vendor list. [Please attach a copy of the Final Order.]

☐ The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. [Please attach a copy of the Final Order.]

☐ The person or affiliate has not been placed on the convicted vendor list. [Please describe any action taken by or pending with the Department of General Services.]

Date: 4-20-2022 Signature: Angela D. Bullock, CPA

STATE OF: Florida

COUNTY OF: Okaloosa

PERSONALLY APPEARED BEFORE ME, the undersigned authority, who after first being sworn by me, affixed his/her signature in the space provided above on this 20<sup>th</sup> day of April, in the year 2022.

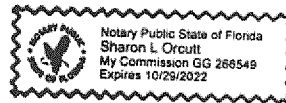
My commission expires: 10/29/2022

Notary Public  
Sharon L. Orcutt

Print, Type, or Stamp of Notary Public

Personally known to me, or Produced Identification:

Personally Known  
Type of ID



## Warren Averett's Cost Proposal for RFP BCC 28-22 Professional Auditing Services

**ALTHOUGH COST IS OF CONSIDERABLE IMPORTANCE, IT WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM \* Appendix E should be submitted as a separate document\***

### APPENDIX E

#### SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE SEPTEMBER 30, 2022 – 2023 FINANCIAL STATEMENTS: SUPPORTING SCHEDULE FOR AUDIT SERVICES

	HOURS	PROPOSED HOURLY RATES*	PROPOSED TOTAL
Partners	250	\$300	\$75,000
Managers	350	\$255	\$89,250
Supervisory Staff	585	\$205	\$119,925
Staff	545	\$175	\$95,375
Other (specify) Partners - not billed**	100	-	-
IT Specialist	40	\$300	\$12,000
Other (specify)			
<b>Subtotal</b>	1,870		\$391,550
Other Expenses (specify):			
Government discount			(\$136,550)
<b>Total</b>			\$255,000
<b>Total Price for Audit Services</b>			
Year 1			\$255,000
Year 2			\$260,100
Year 3			\$265,302
<b>Grand Total Price for Audit Services (3 years)</b>			\$780,402

NOTE: If the proposed hourly rates used to calculate the total all-inclusive price for any contract year are different from contract year 1 rates, provide an index for those years or provide rates for each staff level and each contract year for which there is a change. Also include a statement as to whether those rates will be applicable for any additional professional services which may be requested during those contract years.

\*The hourly rates stated above would be applicable for additional professional services should Okaloosa County desire to engage us for other services. The rates will be increased by 2% each year of the contract.

\*\*Warren Averett, LLC has and will continue to provide a 100 hour per year Member and management investment at no cost to Okaloosa County. The investment includes individual entrance and exit conferences with all Constitutional Officers and Enterprise Fund Management at the BCC. Also included is the one on one meeting with each County Commissioner prior to the BCC meeting in which the audit is presented.





**LET'S THRIVE TOGETHER**