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Board Meeting Agenda
September 27, 2:00 p.m. EDT
Charlotte Harbor Conference Center
75 Taylor St., Punta Gorda, FL
Dial-in Number: 1 (571) 317-3129
Access Code: 182-145-253

1. Call to Order and Roll Call
2. Public Comment
3. Approval of Minutes from the June 27, 2018 Board Meeting (**Board Action Required**)

Old Business:

4. SEP Project Management Report
Status Report of Work Order #11 (Task 14: Prepare Final State Expenditure Plan)
Doug Robison
Environmental Science Associates
5. Manager's Report
 - a. Financial Statements
 - b. Planning Grant Update / Summary
 - c. Status of Stand-Up SEP
Craig Diamond, Manager
The Balmoral Group
6. General Counsel's Report
Lynn Hoshihara, General Counsel
Nabors, Giblin & Nickerson
7. Status of Bucket 2 Projects
Phil Coram
FL Dept. of Environmental Protection

New Business:

8. Consideration of Contract Extension with Nabors, Giblin & Nickerson (**Board Action Required**)
Craig Diamond, Manager
The Balmoral Group



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9. Consideration of Auditor Contract **(Board Action Required)**
Craig Diamond, Manager
The Balmoral Group
10. Proposed FY 19 Budget **(Board Action Required)**
William Smith, Comptroller
The Balmoral Group
11. Gulf Consortium Draft Procurement Policy
William Smith, Comptroller
The Balmoral Group
12. Gulf Consortium Draft Internal Controls
William Smith, Comptroller
The Balmoral Group
13. Gulf Consortium Board Meeting Calendar for 2019 **(Board Action Required)**
Craig Diamond, Manager
The Balmoral Group
14. Public Comment
15. Upcoming Gulf Consortium Board Meeting
Thursday, November 29, 2018
2:00 PM, EDT
Tampa Marriott Waterside
700 S Florida Ave, Tampa, FL
16. Adjourn

Notice of Meeting/Workshop Hearing

OTHER AGENCIES AND ORGANIZATIONS

Gulf Consortium

The Gulf Consortium Board of Directors announces a public meeting, to which all persons are invited.

DATE AND TIME: Thursday, September 27, 2:00 p.m. EDT.

PLACE: Charlotte Harbor Conference Center 75 Taylor St., Punta Gorda, FL, Dial-in Number: +1 (571) 317-3129 Access Code: 182-145-253#

GENERAL SUBJECT MATTER TO BE CONSIDERED: The Board of Directors of the Gulf Consortium will meet to discuss the implementation of the state expenditure plan; planning grant management and administration; the Fiscal Year 2018-19 budget, and to conduct related business.

A copy of the agenda may be obtained by contacting: Craig Diamond at 850-201-7165 or Gulf.Consortium@balmoralgroup.us; or, see www.gulfconsortium.org

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 3 days before the workshop/meeting by contacting: Craig Diamond at 407-629-2185 or

Gulf.Consortium@balmoralgroup.us. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

If any person decides to appeal any decision made by the Board with respect to any matter considered at this meeting or hearing, he/she will need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence from which the appeal is to be issued.

For more information, you may contact Craig Diamond at 850-201-7165 or Gulf.Consortium@balmoralgroup.us; or, see www.gulfconsortium.org

Gulf Consortium Directors, Alternates and Governor's Appointees 2018

County	Directors and Alternates
Bay	Commissioner Philip Griffiths, Director; Commissioner Robert Carroll, Alternate
Charlotte	Commissioner Christopher Constance, Director; Alternates: Commissioner Ken Doherty, Emily Lewis
Citrus	Commissioner Scott Carnahan, Director; Randy Oliver, Alternate
Collier	Commissioner Burt Saunders, Director; Alternates: Commissioner Penny Taylor, Gary McAlpin
Dixie	Tim Alexander, Director
Escambia	Commissioner Grover Robinson, Director; Commissioner Doug Underhill, Alternate
Franklin	Commissioner Cheryl Sanders, Director; Michael Morón, Alternate:
Gulf	Warren Yeager, Director; Donald Butler, Alternate
Hernando	Commissioner Wayne Dukes, Director; Len Sossamon, Alternate
Hillsborough	Commissioner Les Miller, Director; Alternates: Commissioner Ken Hagan, Jim Taylor
Jefferson	Commissioner Betsy Barfield, Director; Parrish Barwick, Alternate
Lee	Commissioner Brian Hamman, Director; Alternates: Commissioner Larry Kiker, Kurt Harclerode
Levy	Commissioner John Meeks, Director; Tisha Whitehurst, Alternate
Manatee	Commissioner Carol Whitmore, Director; Charlie Hunsicker, Alternate
Monroe	Commissioner George Neugent, Director; Commissioner David Rice, Alternate
Okaloosa	Commissioner Kelly Windes, Director; Commissioner Carolyn Ketchel, Alternate
Pasco	Commissioner Jack Mariano, Director; Commissioner Ron Oakley, Alternate
Pinellas	Commissioner Charlie Justice, Director; Andy Squires, Alternate
Santa Rosa	Commissioner Lane Lynchard
Sarasota	Commissioner Charles Hines, Director; Laird Wreford, Alternate
Taylor	Commissioner Jim Moody, Director; Ted Lakey, Alternate

**Gulf Consortium Directors, Alternates and Governor's Appointees
2018**

Wakulla	David Edwards, Director; Commissioner Ralph Thomas, Alternate
Walton	Commissioner Sara Comander, Director; Larry Jones, Alternate
Governor's Appointees	Pam Anderson, Panama City; Peter Bos, Destin; Lino Maldonado, Niceville; Collier Merrill, Pensacola; Mike Sole, Tallahassee; Neal Wade, Panama City

AGENDA ITEM 3

Board Action Required

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 3
Approval of June 27, 2018 Minutes**

Statement of Issue:

Request to approve the minutes of the June 27, 2018 meeting of the Gulf Consortium.

Options:

- (1) Approve the June 27, 2018 minutes as presented; or
- (2) Amend and then approve the minutes.

Recommendation:

Motion to approve Option 1.

Prepared by:

Craig Diamond
The Balmoral Group, General Manager
On: September 19, 2018

Attachment:

Draft Minutes, June 27, 2018 meeting of the Gulf Consortium.

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**Gulf Consortium Meeting
June 27, 2018, 2:00 p.m. EDT
Hyatt Regency Orlando
9801 International Dr.
Orlando, FL**

Board Members / Alternates in Attendance: Commissioner Phillip Griffiths (Bay), Commissioner Chris Constance (Charlotte), Gary McAlpin (Collier), Commissioner Scott Carnahan (Citrus), Commissioner Grover Robinson, (Escambia), Commissioner Cheryl Sanders (Franklin), Commissioner Wayne Dukes (Hernando), Jim Taylor (Hillsborough), Commissioner Betsy Barfield (Jefferson), Commissioner John Meeks (Levy), Commissioner Carol Whitmore (Manatee), Lisa Tennyson (Monroe County), Commissioner Jack Mariano (Pasco), Andy Squires (Pinellas), Commissioner Charlie Justice (Pinellas), Commissioner Rob Williamson (Santa Rosa), Commissioner Charles Hines (Sarasota), Ted Lakey (Taylor) , David Edwards (Wakulla) and Commissioner Sara Comander (Walton).

Via Telephone: Governors' appointees Pam Anderson and Peter Bos.

Agenda Item #1 – Call to Order and Roll Call

Chairman Robinson called the meeting to order at 2:32 PM (EDT). Attendance as above.

Agenda Item #2 – Public Comment

None.

Agenda Item #3 – Approval of May 17, 2018 Minutes

Chairman Robinson presented the minutes of the May 17, 2018 meeting of the Gulf Consortium. Commissioner Sanders moved to approve; seconded by Commissioner Mariano. The motion passed unanimously.

ACTION: APPROVED

Agenda Item #4a – Manager's Report – Status of the Stand-up SEP

Mr. Diamond reported that an updated organizational self-assessment (OSA) had been submitted timely to Council, but there had not yet been a response; a prior draft reflecting the content of the SSEP was reviewed favorably. Staff requested, and Council approved, pre-award costs for the development of a grant application to implement the Stand-Up SEP grant development, effective July 1. Staff have begun the grant application and expect to complete it within the next few weeks. There were no questions on this item. No action was required.

Agenda Item #4b – Manager's Report – Planning Grant Update.

Craig Diamond reported that as of June 1, 2018, eleven work orders under the SEP consultant's tasks had been approved. Other than the invoices for Work Order #10 and the bi-monthly billing for March-April 2018 entering the pipeline for payment, there had been no changes to the summary tables of allocations and payments to date for the Planning Grant since that described to the Board in May. There were no questions on this item. No action was required.

Agenda Item #4c – Manager’s Report – Financial Statements

Mr. Diamond reported approximately \$96,000 in net income for the fiscal year as of May 31, all of it attributable to the general operating fund for the Consortium. General fund expenses to date have been about 31% of the general fund income. The Consortium has about \$188,000 in total equity. There were no questions on this item. No action was required.

Agenda Item #5 – County Annual Contributions

William Smith, Controller, provided an analysis of the Consortium’s General Fund income and expenditures and projected for FY 2018 an operating surplus based on expected expenses. Mr. Smith explained how a 50% reduction in annual county contributions over the next four years would draw down the surplus, but not place the Consortium in the red. Commissioner Constance asked about eliminating the contributions altogether. Mr. Smith noted that the Consortium would continue to have administrative costs, including audits, bank fees and special district fees. Mr. Diamond added that there may be a means to allocate these fixed and predictable operating expenses to the general administrative overhead that would attach to individual project implementation grants, but that a determination of a rate to address that has not been made. The Executive Committee recommended to reduce fees by half for 2019. Commissioner Whitmore supported the reduction provided the Board was comfortable with the projected bank balance (about \$34,000). Mr. Smith noted that there could be a reduced number of meetings and that audits would comprise the majority of expenditures going forward. Commissioner Constance asked if the fee was reduced for the smaller counties; Chairman Robinson affirmed. There was a recognition of the difficulty in amending budgets, especially in smaller counties. The fee could be revisited in a few years. Commissioner Williamson moved to approve the recommendation to reduce annual contributions by 50%, seconded by Commissioner Sanders.

ACTION: APPROVED

Agenda Item 6 – Board Policy Regarding Electronic Meetings

Lynn Hoshihara brought a request to consider meeting by teleconferences. Under FL Statutes, meetings by the Consortium are allowed to be held by teleconference. The Executive Committee recommended to maintain status quo and hold teleconferences only if necessary. Commissioner Sanders supported teleconferences to provide for increased participation and minimize the need and costs of travel. Commissioner Barfield commented that travel needs may be less intense for future meetings, that phone calls can be difficult to manage and that face-to-face is better for decision making, but encouraged voting to be allowed by phone and that meetings be held near airports or a central location. The Chairman agreed that meetings may be less frequent in the future but reiterated the importance of meeting in person. He noted that jointly holding meetings with FAC events improves attendance. A concern is that if teleconferencing is encouraged, eventually no one would get together; choice of a single location has its own fairness issues. Commissioner Dukes commented that he preferred meeting in person and did not mind the travel as he has changed his position in response to in-person discussions. Commissioner Justice suggested that person-person meetings outweigh the inconvenience. Commissioner Mariano agreed, noting the importance of relationships and conversations, adding noted that most Gulf Consortium meetings would be combined with FAC events. Commissioner Constance clarified that the motion was to allow for voting via teleconference. 8 were in favor and 11 opposed. Commissioner Barfield noted that the SEP teleconference vote was a special case that should not apply to all meetings. Commissioner Whitmore commented that she would bring the issue to the Board in the future.

ACTION: NOT APPROVED

Agenda Item #7 – Status Report on Work Order #11 (Task 14: Prepare Final State Expenditure Plan)

Doug Robison (ESA) recapped SEP-related activities since the May Board meeting, noting that the Draft Final SEP had been delivered to both DEP and the Governor's office, and that the DEP had been prompt in its review of the current iteration of the document. ESA has coordinated with DEP and addressed the agency's comments and was waiting for any additional comments from the Governor's office before finalizing the Draft Final SEP. Mr. Diamond added that the Governor's office has been contacted twice regarding the review provisions of the MOU and that comments were expected by June 15th. Mr. Robison anticipated approval of the final document prior to the next Board meeting. There were no questions and no action was required on this item.

Agenda Item #8– New Business: Status of Bucket 2 Projects

Chairman Robinson emphasized that the Consortium has two partners (DEP and FWC), welcomed their contributions, and recommended the agencies have a permanent spot on the Board's agenda. Phil Coram (DEP) indicated that Gareth Leonard (FWC) will also be available to present at Board meetings. He indicated that the state agencies will provide updates on NFWF and NRDA activities. He reported on three changes at RESTORE Council: the appointment of EPA as the Council Chair and the designation of a Deputy Advisor; that Ben Scaggs had been named Executive Director of the Council, and that the Louisiana representative was named Council co-chair. Mr. Coram described the 1st Funded Priority List (FPL), added that a 3rd priority list was in development, totaling about \$350 million, and that DEP had completed one project (\$4.7 million for Apalachicola Bay). He noted that for Pot 2 projects DEP holds an analogous manager role as does the Consortium for Pot 3 monies. He reported ongoing collaboration among the states and the various agencies and indicated DEP's interest in the SEP as a vehicle for dollar leveraging and project synergies. Commissioner Whitmore asked if a motion was necessary. Chairman Robinson affirmed and Commissioner Whitmore asked that future agendas include notations to emphasize anything on the agenda requiring a motion. Commissioner Constance moved to recommend that the Board include DEP and FWC on future agendas; seconded by Commissioner Meeks; approved.

ACTION: APPROVED

Agenda Item #9– Public Comment

Daryl Boudreau (TNC) supports the Plan and congratulated the Board on the tremendous effort thus far.

Agenda Item #10– Upcoming Board Meeting

The next board meeting is to be held on Thursday, September 27 at 2PM (EDT) at Charlotte Harbor Event and Conference Center (Punta Gorda, Charlotte County).

Agenda Item #11 – Adjournment

There being no further business, the Committee adjourned at 3:33 PM.

Respectfully submitted,

Grover Robinson
Chairman

AGENDA ITEM 4

**Gulf Consortium Board of Directors
September 27, 2018**

Agenda Item 4

Update on Work Order #11: Prepare Final Florida State Expenditure Plan

Statement of Issue:

The SEP Consultant will provide a status report on Work Order #11, the Draft Final SEP. No action is required in this item.

Background:

Work Order #11 authorizes the Consultant to complete Task 14 of the amended State Expenditure Plan (SEP) development process. The work order includes:

- *Task 14 - Prepare Final Florida State Expenditure Plan*

The goals of this task were to: 1) coordinate and facilitate the timely review of the Final SEP with both the Governor's office and the RESTORE Council, including face to face meetings and ongoing communications as needed; 2) make any additional revisions to Final SEP based on comments received from the Governor's office and Council; and, 3) produce and distribute the Final SEP document upon formal approval by the Council.

Following presentation by the SEP Consultant, the Board adopted the Draft Final SEP (allowing for further non-substantive edits as may be required) at its May 17th 2018 meeting, and transmitted the document to the Florida DEP for review and approval.

Update:

Following additional comments from the DEP on July 6, 2018 the SEP Consultant amended the Board-approved Plan. With those edits, DEP transmitted the SEP on behalf of the State of Florida to the RESTORE Council on July 27, 2018. Council provided initial comments on August 6, 2018 and a final set of requested edits on August 20, 2018. All edits were resolved by the SEP Consultant by August 24, 2018 and a letter recommending that the Council Chair approve the FL SEP was forwarded by the Council Executive Director that same afternoon (Attachment).

To maintain Council's internal calendar of review, the Consortium Manager directed the vendor creating the Section 508-compliant version to proceed with the version under review at that time. The vendor concluded field-testing the converted document and has currently incorporated all other corrections noted by Council and the Manager. The final Section 508 compliant document was confirmed received by Council on September 12, 2018; Council has posted the document for the minimum of seven days for public comment prior to final approval. Council has indicated that

final approval of the Florida SEP by the Council Chair (EPA) is expected prior to September 27, 2018.

Attachment:

August 24, 2018 Council Letter

Recommendation:

No action required; for information only.


Prepared by:

Doug Robison
SEP Project Manager
Environmental Science Associates
On: September 16, 2018

Gulf Coast Ecosystem Restoration Council
New Orleans, LA 70130



MEMORANDUM

FROM: Ben Scaggs 
Executive Director

TO: Andrew Wheeler
Acting Administrator, U.S. Environmental Protection Agency (EPA)
Chairperson, Gulf Coast Ecosystem Restoration Council (Council)

DATE: August 24, 2018

SUBJECT: Recommendation for Approval of Florida State Expenditure Plan

Pursuant to the Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012, 33 U.S.C. §1321(t) *and note* (RESTORE Act), the attached Florida State Expenditure Plan (SEP) requires approval or disapproval by the Chairperson of the Council within sixty days after receipt by the Council. This sixty-day review period officially began on July 30, 2018; the statutory deadline for Chairperson approval or disapproval is September 27, 2018.

According to the Council's SEP Guidelines, Council staff will review the proposed SEP and make a recommendation to the Chairperson as to whether to approve or disapprove it based on the requirements of the RESTORE Act, the Department of the Treasury's implementing regulations and the Council's SEP Guidelines.

I have reviewed the SEP and find that it is complete and meets all applicable requirements. I therefore recommend that the Chairperson approve the SEP on behalf of the Council. A more detailed explanation of this recommendation is provided below. If you agree with this recommendation and approve the SEP, the attached response letter has been prepared for your signature.

The attached letter would constitute the Chairperson's affirmative vote to approve the SEP. Pursuant to section 4.3.3 of the Council's Standard Operating Procedures, Council staff will post on the Council's website all deliberative materials (including this memorandum) at least seven days before formal Council approval of the SEP.

BACKGROUND

The RESTORE Act established the Council as an independent federal entity. Among other duties, the Council is tasked with administering the Spill Impact Component of the RESTORE Act, under which thirty percent of the funds in the Gulf Coast Restoration Trust Fund (Trust Fund) are disbursed to the five Gulf Coast States based on an allocation formula established by the Council by regulation, based on criteria in the RESTORE Act. In order for Spill Impact Component funds to be disbursed to a State or its administrative agent, the RESTORE Act requires each State to develop a SEP and submit it to the Chairperson for approval.

Under the RESTORE Act, the Council itself has no substantive role in the creation of SEPs or the design or selection of SEP activities; these actions are undertaken solely by the State members. The RESTORE Act specifies four criteria that SEPs must meet in order to be eligible for funding under the Spill Impact Component, and when a SEP meets these criteria (and otherwise complies with the RESTORE Act and Treasury regulations) the Council has no discretion to reject a SEP, to select or designate alternative versions of a SEP, or to select or designate alternative activities within a SEP. Although the Council must determine whether a SEP has met the statutory criteria, the RESTORE Act does not grant the Council discretion to separately consider external factors, for example environmental impacts, in its statutory review.

In March 2016 the Council updated its SEP Guidelines, which describe the required elements of a SEP, the process for submitting a SEP and the standards by which the Chairperson will evaluate a SEP. The SEP Guidelines set forth the elements required in a SEP to ensure compliance with the RESTORE Act and applicable Treasury regulations. The SEP Guidelines reiterate the four statutory criteria that all SEPs must meet:

1. Each activity in the SEP must be eligible for funding under the RESTORE Act.
2. The SEP must contribute to the overall economic and ecological recovery of the Gulf Coast.
3. The SEP must take into consideration the Council's Comprehensive Plan and be consistent with the goals and objectives of the Comprehensive Plan.
4. No more than 25% of the funding made available in a SEP may be used for infrastructure projects under eligible activities 6 and 7 (i.e., coastal flood protection, port and other infrastructure projects) unless a waiver is provided as described in the RESTORE Act.

The Council staff review found that the Florida SEP meets all four of the required criteria. The review also found that it was complete and met all of the other requirements set forth in the SEP Guidelines. These requirements include descriptions of the financial controls and other financial integrity mechanisms that will be used, a description of the process used for preventing conflicts of interest in the development and implementation of the SEP, project-specific information, a certification that all

Memorandum to Chairperson

Re: Recommendation for Approval of Florida State Expenditure Plan

August 24, 2018

Page 3

activities in the SEP comply with RESTORE Act requirements, and information regarding the public participation process used in developing the SEP.

Pursuant to the SEP Guidelines, all Council members were given twenty days to review the SEP for completeness and consistency with the four statutory criteria described above. Council members were to provide any comments they might have to Council staff, which in turn would provide them to the Chairperson for his/her consideration in the approval or disapproval of the SEP. No Council member provided comments on this SEP.

The Florida SEP, if approved, would provide \$291,180,000 in Spill Impact Component funding to support 69 projects spread across 23 coastal counties, including efforts to restore water quality and habitat, revitalize the Gulf economy, promote tourism, and replenish living coastal and marine resources.

The Gulf Consortium is the designated entity responsible for the development of the Florida SEP. If the SEP is approved, funding for the activities in the SEP will then be disbursed to the Gulf Consortium via federal grants. As part of the grant process, all activities for which funding is sought will be carefully reviewed to ensure consistency with the approved SEP and compliance with the RESTORE Act and all other applicable requirements. Funding for implementation activities are disbursed only after verification of compliance with all applicable federal environmental and other laws.

In summary, Florida's proposed SEP complies with all of the applicable requirements set forth in the RESTORE Act, Treasury regulations and SEP Guidelines. If it is approved by you, we look forward to working with the Gulf Consortium to help ensure an efficient grant process for the activities included in the SEP.

Thank you in advance for your review of this matter. Please do not hesitate to let me know if you have any questions or would like to discuss this matter further. Technical questions regarding the SEP can be directed to John Ettinger of Council staff at (504) 444-3522 or at john.ettinger@restorethegulf.gov.

ATTACHMENTS

1. Florida State Expenditure Plan
2. Draft Letter Approving Florida's State Expenditure Plan

AGENDA ITEM 5

AGENDA ITEM 5a

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 5a
Manager's Report -- Financials**

Statement of Issue:

Presentation of the Manager's report. For information only; no action is required.

Background:

The Manager's report will be given verbally at the Board meeting on September 27, 2018.

Attachments:

Financial Statements through August 31, 2018.

Prepared by:

William Smith
The Balmoral Group, Manager
On: September 19, 2018

Gulf Consortium
Profit & Loss
 October 2017 through August 2018

	General Fund	Grants Fund	TOTAL
Income			
County Dues Funding	140,050.00	0.00	140,050.00
Planning Grant			
SEP - Work Order 7	0.00	518,239.58	518,239.58
SEP - Work Order 8	0.00	398,110.00	398,110.00
SEP - Work Order 9	0.00	275,990.82	275,990.82
SEP - Work Order 10	0.00	360,800.00	360,800.00
SEP - Management Fees	0.00	48,226.25	48,226.25
SEP - Grant Management	0.00	45,000.00	45,000.00
SEP - Legal Fees	0.00	93,736.70	93,736.70
SEP Audit Reimbursement	0.00	6,000.00	6,000.00
SEP - AV/Meeting Fees	0.00	5,906.94	5,906.94
Total Planning Grant	0.00	1,752,010.29	1,752,010.29
Total Income	140,050.00	1,752,010.29	1,892,060.29
Expense			
Development of SEP			
Work Order 10	0.00	360,800.00	360,800.00
Grant Management	0.00	45,000.00	45,000.00
Work Order 7	0.00	518,239.58	518,239.58
Work Order 8	0.00	398,110.00	398,110.00
Work Order 9	0.00	275,990.82	275,990.82
Total Development of SEP	0.00	1,598,140.40	1,598,140.40
Legal	24,844.98	93,736.70	118,581.68
Management Fees	20,827.70	48,226.25	69,053.95
Accounting	850.82	6,000.00	6,850.82
Meeting Expense	4,984.03	5,906.94	10,890.97
Bank Service Charges	2,431.38	0.00	2,431.38
Special District Fees	175.00	0.00	175.00
Total Expense	54,113.91	1,752,010.29	1,806,124.20
Net Income	85,936.09	0.00	85,936.09

Gulf Consortium
Balance Sheet
As of August 31, 2018

	<u>Aug 31, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
Seaside Bank (Operating)	166,825.43
Wells Fargo Account (Grant)	1,138.64
Total Checking/Savings	<u>167,964.07</u>
Accounts Receivable	
Gen - Fund Accounts Receivable	4,135.00
Planning Grant Receivable	28,959.53
Total Accounts Receivable	<u>33,094.53</u>
Total Current Assets	<u>201,058.60</u>
TOTAL ASSETS	<u>201,058.60</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable - Grant	22,959.53
Accounts Payable	104.44
Total Accounts Payable	<u>23,063.97</u>
Total Current Liabilities	<u>23,063.97</u>
Total Liabilities	<u>23,063.97</u>
Equity	
Unrestricted Net Assets	92,058.54
Net Income	85,936.09
Total Equity	<u>177,994.63</u>
TOTAL LIABILITIES & EQUITY	<u>201,058.60</u>

AGENDA ITEM 5b

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 5b
Manager's Report
Planning Grant Update: Status of Planning Grant Award and Work Orders**

Statement of Issue:

Presentation of Work Orders approved to-date and a comparison of the amount encumbered with respect to the Planning Grant Award. For information only; no action is required.

Status of Payments to Date:

To date, seventeen payment requests for all consulting services totaling \$2,735,183 been submitted to Council and been paid. Payment request #17 in the amount of \$27,185 for Planning Grant and Consortium Management expenses was paid by Council on September 7, 2018.

The Consortium submitted its last Planning Grant Financial Progress Report on April 30, 2018. The next, and final, Financial Progress Report is due September 30, 2018.

Schedule of Work Orders:

As of September 20, 2018 the Consortium approved eleven work orders under the SEP consultants' tasks, totaling \$2,585,598, broken down as follows:

<u>Task 1</u> (PSEP, Planning Grant App)	\$50,980*
*(Approved 1/21/15, of a total Consortium authorization of \$50,980)	
<u>Task 2</u> (Goal Setting Workshop)	\$21,560
(Approved 3/25/15)	
<u>Task 3</u> (Public Involvement – Phase I)	\$82,388
(Approved 6/19/15)	
<u>Work Order 4(A)</u> (Prelim Project List – Phase I)	\$92,660
(Approved 6/28/16)	
<u>Work Order 4(B)</u> (Preliminary Project List-Phase II)	\$209,100
(Approved 9/13/16)	
<u>Work Order 5</u> (Grant Management Services)	\$120,000
(Approved 4/21/16) (\$5,000 per month for 24 months)	
<u>Work Order 6</u> (Map Preliminary Project List & Perform Gaps Analysis)	\$339,480
(Approved 12/2/16)	

<u>Work Order 7</u> (Complete Draft Project List and Conduct Detailed Project Evaluation & Refinement) (Approved 4/6/17)	\$518,320
<u>Work Order 8</u> (Conduct Project Leveraging Analysis & Sequencing & Implementation Strategy) (Approved 5/17/17)	\$398,110
<u>Work Order 9</u> (Prepare Draft State Expenditure Plan Document and Conduct Legal Review) (Approved 6/28/17)	\$276,000
<u>Work Order 10</u> (Draft State Expenditure Plan Review and Revisions; Stakeholder Outreach and Public Involvement) (Approved 9/27/17)	\$360,800
<u>Work Order 11</u> (Prepare Final State Expenditure Plan; Coordinate Review and Approval of Final SEP) (Approved 2/08/18)	\$131,200
Total	2,600,598

Out of the grant award, the Consortium can pay for some of the costs it incurs for its meetings: Audio-Visual, Information Technology, meeting space, etc. These costs are incurred on a meeting-by-meeting basis.

Meeting AV/IT Reimbursements (Incurred between 8/22/14 – 8/31/18)	29,651
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The Planning Grant also provides for auditor expenses at \$25,000 per year.

Accordingly, the following table summarizes the grant budget as compared to Consortium-approved and grant-fundable contracts and payments to date:

	Grant Award	ESA Contract From Grant	NGN Contract from Grant	TBG Contract from Grant	Auditor	AV / IT
Contract Amounts	\$4,640,675	\$2,722,780	\$180,000	\$120,000	\$ 50,000	\$72,000
Work Orders Approved		\$2,600,598	--	--	\$18,000	--
Payments to Date	\$2,735,183	\$2,469,254	\$152,480	\$77,798	\$6,000	\$29,651
Balance	1,905,492	131,344	27,520	42,202	44,000	45,431

Less the final invoice from ESA and grant eligible legal and management expenses for July, August and September, the Balance line in the table describes the remaining, unencumbered funds in the Planning Grant which will revert to the Consortium's general pool of funding for SEP project implementation.

Prepared by:

William Smith

The Balmoral Group, Manager

On: September 19, 2018

AGENDA ITEM 5c

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 5c
Manager's Report--Status of the Stand-up State Expenditure Plan**

Statement of Issue:

Presentation of the Manager's report. For information only; no action is required.

Background:

The Manager's report will be given verbally at the Board meeting on September 27, 2018.

Attachments:

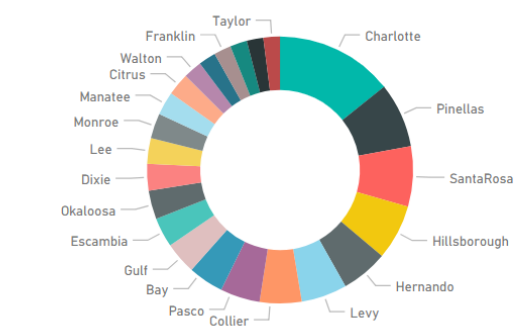
- a) Draft Gulf Consortium Project Webpage
(<https://www.gulfconsortium.org/project-data>)
- b) First Year SEP Project Breakdown

Prepared by:

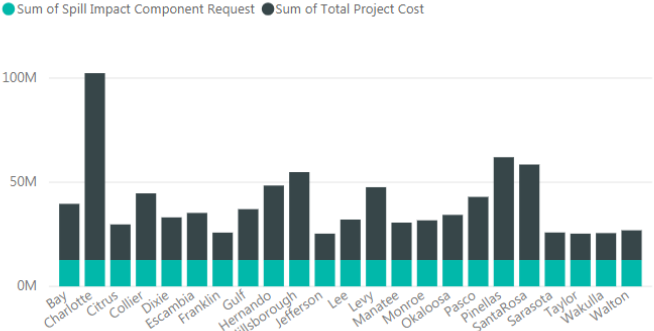
Craig Diamond
The Balmoral Group, Manager
On: September 19, 2018

DRAFT GULF CONSORTIUM PROJECT WEBPAGE

Sum of Total Project Cost by County



Sum of Spill Impact Component Request and Sum of Total Project Cost by County



County



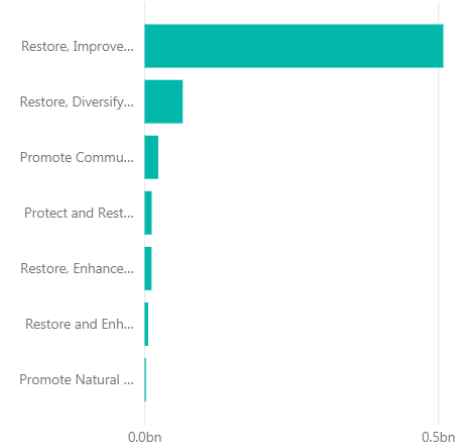
Project Name	Sum of Total Project Cost	Sum of Spill Impact Component Request	Sum of Infrastructure Cost
Apalachicola Bay Cooperative Dredging Program	6660000	6660000	6660000
Apalachicola Bay Oyster Restoration	5000000	5000000	0
Applied Research for Shellfish Aquaculture	400000	300000	0
Artificial Reef and Oyster Habitat Enhancement	634430	634430	0
Artificial Reef Program	2350000	2350000	0
Artificial Reef Program - Citrus	900000	850000	0
Artificial Reef Program - Pinellas	490000	440000	0
Artificial Reef Program - Hudson Reef	115000	100000	0
Artificial Reef Program - Larry Borden Reef	1320000	1320000	0
Bayou Chico Contaminated Sediment Remediation Project	22600000	12660000	0
Canal Management Master Plan Implementation	19048690	12660000	0
Charlotte Harbor Septic to Sewer Conversion Program	89710000	12660000	0
Choctawhatchee Bay Estuary Program	3800000	1000000	0
Choctawhatchee Bay Septic to Sewer Conversion	14252925	12660000	0
Coastal Environmental Research Network (CERN)	2225000	2100000	2100000
Coastal Erosion Control Project	6000000	3000000	0
Coastal Habitat Enhancement Program	900000	750000	0
Total	628575530	291180000	37690000

Year	Funding Amount
2018	20,564,940.65
2019	25,948,672.31
2020	22,103,659.47
2021	33,136,309.71
2022	36,833,025.82
2023	14,396,140.25
2024	11,976,323.35
2025	12,777,096.01
2026	28,630,353.04
2027	14,751,989.47
Total	291,180,000.00

Stage of Development

- Concept
- Design & Permitting
- Feasibility
- Implementation
- Planning

Sum of Total Project Cost by Primary Council Objective



Agenda Item 5c
Manager's Report – Status of the Stand-up State Expenditure Plan

Year 1 Project Class	Functional Task-Activity							Project
	Feasibility	Planning	Prelim Desig	Final Design	Acquisition	Permitting	Construction	Grand Total
PUBLIC ACCESS	4		2	3		1		5
LAND ACQUISITION	1				2			2
ARTIFICIAL REEF	2		1			1	1	3
CONSTRUCTION (BLDG)	1		1	1				1
DREDGING	1	1	1	3		3		5
HABITAT RESTORATION	1	1	3					4
ADMIN / PLANNING		3						3
REEF RESTORATION	4		5	1				6
SEPTIC TO SEWER	6	1	4	4		2		8
STABILIZATION	1		1	1				1
STORMWATER RETROFIT	2		2	2	1	1		4
Task Grand Total	23	6	20	15	3	8	1	42
	NO POT 3 REQUESTED IN YEAR 1 FOR 4 TASK ENTRIES: HABITAT RESTORATION (DESIGN, PLANNING); DREDGING (DESIGN, PERMITTING)							

AGENDA ITEM 6

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 6
General Counsel's Report**

Statement of Issue:

Presentation of the General Counsel's report. For information only; no action is required.

Background:

The General Counsel's report will be given verbally at the Board meeting on September 27, 2018.

Attachments:

None

Prepared by:

Lynn M. Hoshihara
Nabors, Giblin & Nickerson, P.A.
General Counsel
On: September 14, 2018

AGENDA ITEM 7

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 7
Status of Bucket 2 Projects**

Statement of Issue:

Per Board approval to include regular reports from the Consortium's partners, DEP/FWC staff will provide a verbal update of Bucket 2 and related projects. For information only; no action is required.

Background:

The State partner agencies' report will be given verbally at the Board meeting on September 27, 2018.

Attachments:

None

Prepared by:

Craig Diamond
The Balmoral Group, General Manager
On: September 14, 2018

AGENDA ITEM 8
Board Action Required

**Gulf Consortium Board of Directors
September 27, 2018**

Agenda Item 8

Consideration of Extension of NGN's Agreement for General Counsel Services

Statement of Issue:

Request for Board approval to extend NGN's Agreement for Professional Services for an additional two-years.

Background:

In October 2012, the Consortium and Nabors, Giblin & Nickerson, P.A. (NGN), entered into an Agreement for Interim General Counsel Services. In September 2016, following a competitive procurement process, the Consortium and NGN entered into an Agreement for General Counsel Services (as amended), which is set to expire on September 30, 2018.

The initial Agreement authorizes the term to be extended by mutual agreement of the parties for successive 24-month periods.

The Executive Committee recommended approval of the extension.

Options:

Option #1, Recommend approval of contract extension for a two-year term commencing October 1, 2018 until September 30, 2020.

Option #2, Recommend rejection of the contract extension.

Option #3, Board Direction.

Recommendation:

Option #1

Attachment:

Draft Fourth Amendment to NGN's Agreement for General Counsel Services.

Prepared by:

Craig Diamond
The Balmoral Group
General Manager
September 19, 2018

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**FOURTH AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE GULF CONSORTIUM AND NABORS, GIBLIN & NICKERSON, P.A.**

This Fourth Amendment to the Agreement for Professional Services is entered into by and between the **Gulf Consortium**, a legal entity and public body organized and created pursuant to an interlocal agreement among the 23 county governments along Florida's Gulf Coast (the "Consortium"), and **Nabors, Giblin & Nickerson, P.A.**, whose business address is 1500 Mahan Drive, Suite 200, Tallahassee, Florida 32308 (the "Contractor").

WHEREAS, the Consortium and the Contractor initially entered into an Agreement for Professional Services for Interim General Counsel Services, dated October 22, 2012, as subsequently amended (the "Agreement"); and

WHEREAS, the Agreement authorizes the term to be extended in successive 24-month periods; and

WHEREAS, the Agreement needs to be amended to reflect the funding capacity of the Consortium.

NOW THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the parties hereby agree to amend the Agreement as follows:

1. Section 1.04 of the Agreement is hereby amended as follows:

SECTION 1.04. COMPENSATION FOR GENERAL COUNSEL SERVICES.

- (A) In consideration for the performance of General Counsel services to be provided pursuant hereto, the Consortium agrees to pay NGN \$250 per hour for each attorney providing such services. However, the Consortium shall not be obligated to pay NGN more than \$5,000 per month, unless the Board approves an amount in excess of \$5,000, except as otherwise provided in paragraph (B).
- (B) Separate from the amount due under section 1.04(A), it is recognized that certain legal services will be required ~~related to the Planning Grant~~ that may be eligible for grant reimbursement ("Grant-Eligible Services"). In the event Federal funds or other funds become available to pay for such Grant-Eligible Services, NGN shall be paid a fee of \$250 per hour for each attorney providing such services. However, the Consortium shall not be obligated to pay NGN more than \$90,000 per fiscal year from grant funds. All services provided which do not qualify for grant reimbursement shall be considered General Counsel services payable as set forth under section 1.04(A).

2. Section 3.01 of the Agreement is hereby repealed in its entirety and replaced with the following:

SECTION 3.01. TERM OF AGREEMENT. This Agreement shall be extended for a two-year term commencing October 1, 2018 and shall continue until September 30, 2020. The term may be extended by mutual agreement of the parties for successive 24 month periods. The Consortium may terminate this Agreement without cause by giving NGN thirty (30) days written notice of termination.

3. All other provisions of the Agreement shall remain in full force and effect.

WHERETO, the parties have set their hands and seals effective the date whereon the last party executes this Agreement.

GULF CONSORTIUM

NABORS, GIBLIN & NICKERSON, P.A.

By: _____
Grover Robinson, Chairman

By: _____
Lynn Hoshihara, Shareholder

Date: _____

Date: _____

By: _____
John Meeks, Secretary

Date: _____

AGENDA ITEM 9
Board Action Required

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 9
Request for Approval of Auditor Contract**

Statement of Issue:

Request for Board approval to contract with the firm of Warren Averett, LLC to provide audit services of the Consortium.

Background:

At its June 28 2017 meeting, the Board delegated to the Executive Committee the responsibility to review and approve the scope of a Request for Proposals for audit services. The Executive Committee approved the scope of the RFP at its meeting of August 16, 2017. Following receipt of four qualifying responses, Consortium staff convened the evaluation committee (with representation from Bay, Pinellas, and Sarasota Counties and the DEP) on September 22, 2017. At its September 27, 2017 meeting the Board accepted the evaluation committee's ranking and directed staff to proceed with negotiations with the highest ranked firm (Moore, Stephens & Lovelace). Staff received a signed engagement letter on November 6th to provide auditing and Federal single audit services for a total amount of \$6,000 annually for fiscal years 2017-2019.

Moore, Stephens & Lovelace (MSL) prepared the Consortium and single audit procedures and presented their findings to the Board at its May 2018 meeting. Their scope of services for FY 2017 is complete and the firm has been paid. Following their first year of a three-year contract, MSL determined their price was insufficient to meet their costs for the remainder of the contract and therefore terminated their commitment for auditing services. The contract provides for termination by either party upon thirty days' written notice.

Analysis:

The following table summarizes the status of the bids received:

Firm	Bid	Rank	Comment
Moore, Stephens & Lovelace (MSL)	\$6,000	1	Withdrawn as of August 30, 2018; contract terminates effective September 29, 2018
Clifton, Larson & Allen (CLA)	\$10,275 (+\$5,000)	2	<i>Deemed Non-responsive;</i> Federal single audit not included in original bid, quoted an additional \$5,000 for this service; Total of \$15,275
Warren Averett	\$19,931	3	Initial price held; Negotiated to \$18,000 including single audit
Carr Riggs & Ingram (CRI)	\$17,000	4	Not in Top 3
WithumSmith+Brown (Withum)	\$25,000	5	Not in Top 3

The RFP for Audit Services issued by the Consortium specifically stated that a single audit was expected for the FY 2017 audit (sections 2.1 and 2.5). Consequently, the Consortium cannot allow CLA to amend their price proposal after the fact.

The firms of CRI and Withum were not among the top 3 ranked firms approved by the Board for negotiations. The only remaining, responsive and ranked firm is Warren Averett, LLC (Averett). Averett has served previously as the Consortium's auditor.

The Consortium fiscal year ends September 30. To be timely in audit completion, reporting to the Board and filing financials and audit reports with the State of Florida, it will be necessary to have an auditor under contract before mid-November, the latest. Options for the Board to meet this schedule include contracting with Averett or an expedited procurement process.

An expedited procurement process, i.e., a new RFP for auditing services, will require an estimated 5 weeks minimum to complete. While the costs for scripting the scope and advertisement can be avoided, all other costs for evaluating responses and bringing the results to the Executive Committee or Board will be the same. The prior evaluation committee included professional staff from three counties and the DEP; the implicit costs of such staff contributions should be factored into the costs of procurement.

The other factor for a new auditor contract is the term. The contract with MSL was for three years; the other respondents will have factored the length of contract into their pricings. The Board could consider a one-year contract or longer. A longer term contract will reduce the frequency of the RFP process and all associated costs.

Noting the lower total price proposed by CLA (\$15,275), the Executive Committee requested staff to contact Averett and see if its original price (\$19,931) was negotiable. Averett responded with an offer to conduct the audit and federal single audit for \$18,000, and \$10,000 if no single audit were required. The single audit will be required for FY17-18 as more than \$750,000 in grant funds were expended.

Options:

- (1) Approve the Contract with Warrant Averett, LLC for two years at a cost of \$18,000 per year
- (2) Approve the Contract with Warrant Averett, LLC for one year at a cost of \$18,000; or
- (3) Board Direction

Recommendation:

Motion to approve Option 1.

Prepared by:

William Smith
The Balmoral Group, Manager
On: September 19, 2018

Attachment:

Draft Contract with Warren Averett, LLC, for Audit Services

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**AGREEMENT FOR AUDITING SERVICES BETWEEN
THE GULF CONSORTIUM AND WARREN AVERETT, LLC**

This AGREEMENT is entered into by and between the Gulf Consortium, a legal entity and public body organized and created pursuant to an interlocal agreement among the 23 county governments along Florida's Gulf Coast (the "Consortium"), and Warren Averett, LLC, whose business address is 45 Eglin Parkway N.E., Suite 301, Ft. Walton Beach, Florida, 32548 (the "Contractor").

WHEREAS, the Consortium desires to obtain professional auditing services; and

WHEREAS, the Contractor represents that it has the experience and expertise in the type of professional auditing services that will be required by the Consortium; and

WHEREAS, the Consortium, through a competitive selection process, has selected Contractor as the entity to provide professional auditing services to the Consortium;

WHEREAS, the Consortium seeks to engage the Contractor for the purpose of providing professional auditing services.

NOW THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the parties hereby agree to amend the Agreement as follows:

1. **SERVICES TO BE PROVIDED.** The Contractor hereby agrees to provide auditing services in accordance with:
 - A. The Request for Proposal for Audit Services ("RFP") issued by the Consortium, as well as Contractor's response to same, which are attached hereto and incorporated as Exhibit A; and
 - B. The Contractor's Engagement Letter, dated September 20, 2018, which is attached hereto and incorporated as Exhibit B.
2. **FUND AVAILABILITY.** The performance of the Consortium of any of its obligations under this Agreement shall be subject to and contingent upon the availability of funds lawfully expendable for the purposes of this Agreement for the current and any future periods provided for within this Agreement.

The following statement is included in this Agreement in accordance with section 218.77, Florida Statutes, regarding requirements for disclosure of contingencies associated with federal requirements: The payment of costs to the Contractor for the auditing services is contingent upon the receipt of federal funds and federal approval.
3. **TERM OF CONTRACT.** The term of the Agreement will be for two (2) years with the options to renew for up to two (2) additional years, unless earlier terminated by either party upon ninety (90) days' written notice.

4. **COMPENSATION.** The Contractor shall be compensated the following fees for auditing services, plus travel expenses in accordance with section 112.061, Florida Statutes:

Fiscal Year Ending	Audit Fee	Federal Single Audit Fee
9/30/2018	\$10,000	\$8,000
9/30/2019	\$10,000	\$8,000

5. **INSURANCE.** Contractor shall provide Certificates of Insurance showing that it has insurance policies in coverages and limits required below from companies authorized to do business in the State of Florida, with a rating of "A" or better. Each policy required below must require that thirty (30) days prior to expiration, cancellation, non-renewal or any material change in coverages or limits, written notice thereof must be given to Consortium. Each Certificate of Insurance will be on a standard ACORD form, listing coverages and limits, expiration dates, terms of policies and all endorsements, and will include the RFP/project name on the Certificate. Each Certificate of Insurance, which is allowed by law to carry an additional named insured, will show "Gulf Consortium, a public entity created in October 2012 by Interlocal Agreement among Florida's 23 Gulf Coast counties, and its officers, agents, employees, and volunteers," as additional named insured. Any and all deductibles to any insurance policy will be the responsibility of the Contractor. Coverages and limits for the insurance required herein are as follows:

- A. Workers' Compensation: Coverage to apply for all employees for Statutory Limits in compliance with the applicable state and federal laws. The policy must include Employers' Liability with a limit of \$300,000 each accident.
- B. Professional Liability Insurance: Coverage of a minimum one million dollars (\$1,000,000) in coverage for this project.
- C. Public Liability Insurance: Policy must include bodily injury and property damage, Combined Single Limits (CSL) of \$300,000 minimum.
- D. Comprehensive General Liability Insurance: Policies shall include, but not be limited to, Independent Contractor, Contractual, Premises/Operations, Products/Completed Operations and Personal Injury covering liability assumed under indemnification provisions, with limits of liability for personal injury and/or bodily injury, including death, of not less than \$500,000, each occurrence; and property damage of not less than \$100,000, each occurrence. (Combined single limits of not less than \$500,000, each occurrence, will be acceptable unless otherwise stated). Coverage shall be on an "occurrence" basis, and the policy shall include Broad Form Property Damage coverage.
- E. Comprehensive Automobile and Truck Liability: Policies shall cover owned, hired and non-owned vehicles with minimum limits of \$300,000 each occurrence and property damage of not less than \$100,000 each occurrence. (Combined single limits of not less than \$500,000 each occurrence will be acceptable unless otherwise

stated). Coverage shall be on an "occurrence basis" such insurance to include coverage for loading and unloading hazards.

6. **MONITORING.** The progress and performance of the Contractor will be monitored during and on close of the period of performance by the Consortium Manager.
7. **INDEMNIFICATION.** The Contractor agrees to indemnify and hold harmless the Consortium, its officials, officers, representatives, employees and agents, from and against any and all claims, damages, liabilities, losses, costs, or suits of any nature whatsoever arising out of, because of, or due to any negligent acts or omissions of the Contractor, its delegates, employees and agents, arising out of or under this Agreement, including reasonable attorney's fees. The Contractor acknowledges that ten dollars (\$10.00) of the amount paid to the Contractor is sufficient consideration for the Contractor's indemnification of the Consortium.
8. **PUBLIC ENTITY CRIMES.** In accordance with Section 287.133, Florida Statutes, Contractor hereby certifies that to the best of his knowledge and belief neither Contractor nor his affiliates has been convicted of a public entity crime. Violation of this section by the Contractor shall be grounds for cancellation of this Agreement by the Consortium.
9. **UNAUTHORIZED ALIENS.** The Contractor agrees that unauthorized aliens shall not be employed nor utilized in the performance of the requirements of this solicitation. The Consortium shall consider the employment or utilization of unauthorized aliens a violation of Section 274A(e) of the Immigration and Naturalization Act (8 U.S.C. 1324a). Such violation shall be cause for unilateral termination of this Agreement by the Consortium.
10. **NON-WAIVER.** Failure by the Consortium to enforce or insist upon compliance with any of the terms or conditions of this Agreement or failure to give notice or declare this Agreement terminated shall not constitute a general waiver or relinquishment of the same, or of any other terms, conditions or acts; but the same shall be and remain at all times in full force and effect.
11. **ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding between the parties with respect to the transaction contemplated herein and supersedes all prior written or oral negotiations, commitments or writings. All future modifications to this Agreement shall be in writing signed by both parties.
12. **VENUE.** Venue for all actions arising under this Agreement shall lie in Leon County, Florida.
13. **CONSTRUCTION.** The validity, construction, and effect of this Agreement shall be governed by the laws of the State of Florida.

14. **CONFLICTING TERMS.** In the instance that any other agreement exists concerning the matters herein, then the terms and conditions in this Agreement shall prevail over all other terms and conditions.
15. **FEDERAL PROVISIONS.** Contractor shall comply with the federal provisions, attached hereto and incorporated herein as Exhibit C.

WHERETO, the parties have set their hands and seals effective the date whereon the last party executes this Agreement.

GULF CONSORTIUM

WARREN AVERETT, LLC

By: _____
Grover Robinson, Chairman

By: _____
Angela Balent, CPA

Date: _____

Date: _____

SECRETARY/TREASURER:

By: _____
John Meeks

Date: _____

EXHIBIT A
RFP FOR AUDIT SERVICES



REQUEST FOR PROPOSALS AUDIT SERVICES

Notice is hereby given that the Gulf Consortium will be receiving sealed responses to Request for Proposals at the offices of The Balmoral Group, 165 Lincoln Avenue, Winter Park, FL 32789, for audit services.

The Gulf Consortium ("the Consortium") intends to enter into an agreement with an experienced and qualified professional firm to provide audit services pursuant to applicable laws, rules and regulations governing the Consortium. The audit is to be conducted in accordance with, but not necessarily limited to, the Single Audit Act Amendments of 1996, 31 U.S.C. s. 7501 et. seq., section 215.97, Florida Statutes "Florida Single Audit Act," regulations adopted by the Auditor General of the State of Florida, and 2 CFR Part 200, including an audit report consisting of a financial audit of the Consortium, an audit of financial accounts and records, including all reports, management letters, and financial statements that may be required, and other audit services requested by the Consortium.

REQUEST FOR PROPOSALS DUE DATE: 4:00 p.m., EST, September 6, 2017

**GULF CONSORTIUM
THE BALMORAL GROUP
165 LINCOLN AVENUE
WINTER PARK, FLORIDA 32789**

Documents can be obtained by contacting the Consortium Manager at (407) 629-2185 or gulf.consortium@balmoralgroup.us. Documents can also be found online at www.gulfconsortium.org. If you have any questions, please call William Smith (407) 629-2185 x 106.

Notice provided on the Gulf Consortium website at: www.gulfconsortium.org

GULF CONSORTIUM
Request for Proposals for Audit Services of Planning Grant Funds
For Fiscal Year Ending September 30, 2017

The Gulf Consortium, a political entity created in October 2012 by Interlocal Agreement among Florida's 23 Gulf Coast counties ("the Consortium"), with this Request for Proposals ("RFP") for Audit Services is seeking to select an auditor or auditing firm ("Auditor") that clearly demonstrates the highest level of ability and proven reliability to perform the auditing services for the Consortium as required by this RFP. Such auditing services will include an audit report, consisting of a financial audit of the Consortium, an audit of its financial accounts and records, including all reports, management letters, and any other auditing services that may be required by the Consortium.

NOTICE: Applicants or bidders for a lower tier covered transaction (except procurement contracts for goods and services under \$25,000 not requiring the consent of a Council official) are subject to 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement)." In addition, applicants or bidders for a lower tier covered transaction for a sub-award, contract, or subcontract greater than \$100,000 of Federal funds at any tier are subject to relevant statutes, including among others, the provisions of 31 U.S.C. 1352, as well as the common rule, "New Restrictions on Lobbying," published at 55 FR 6736 (February 26, 1990), including definitions, and the Office of Management and Budget "Governmentwide Guidance for New Restrictions on Lobbying," and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), 57 FR 1772 (January 15, 1992), and 61 FR 1412 (January 19, 1996).

SECTION 1. INTRODUCTION AND BACKGROUND

In response to the explosion of and the resulting oil spill from the Deepwater Horizon offshore drilling rig in the Gulf of Mexico on April 20, 2010 (Deepwater Horizon Oil Spill), the United States Congress enacted the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) (title 1, subtitle F of Public Law 112-141) as part of the Moving Ahead for Progress in the 21st Century Act. The RESTORE Act was passed by Congress on June 29, 2012 and signed into law on July 6, 2012 by the President.

The RESTORE Act establishes funding from a portion of the administrative and civil penalties under the Federal Water Pollution Control Act from the Deepwater Horizon Oil Spill for the ecological and economic restoration of the Gulf Coast region. The RESTORE Act directs funding for the development and implementation of the State Expenditure Plan in each of the five Gulf Coast States.

The Gulf Consortium is a public entity created in October 2012 by Interlocal Agreement among Florida's 23 Gulf Coast counties, from Escambia County to Monroe County.

Florida's 23 Gulf Coast Counties formed the Consortium to meet requirements of the RESTORE Act for Florida to develop a State Expenditure Plan. The Consortium Board of Directors consists of one representative from each county government and six members appointed by the Governor. As a public entity, the Consortium must meet all government transparency requirements in Florida, including open public records and meetings, ethics and state auditing obligations.

The Gulf Consortium is working with Florida's Governor, state agencies and other restoration partners to advance common goals, reduce duplication, and maximize benefits to the Gulf Coast region. To this end, the Governor and the Consortium entered into a Memorandum of Understanding (MOU) on June 12, 2013 to further the collective objectives of maximizing efficiencies and revenue opportunities under the RESTORE Act. The Governor's appointees represent diverse interests to provide input and guidance to the Consortium on policies and criteria used to select projects, activities and programs for inclusion in the State Expenditure Plan.

The Consortium has no paid staff; however there are currently three vendors with professional services contracts who work for or on behalf of the Gulf Consortium. These vendors are compensated from a combination of dues collected from the 23 member counties of the Consortium and/or grant funds which are a part of the planning grant (PSEP) approved by the Restore Council in June 2016.

To date approximately \$2.42M of the roughly \$4.64M Planning Grant has been authorized to be spent on the creation of the Florida's State Expenditure Plan.

SECTION 2. PERFORMANCE SPECIFICATIONS

2.1. Scope of Work

Financial Statements

The Consortium desires the auditor to express an opinion on the fair presentation of its basic financial statements, including any fund financial statements, in conformity with accounting principles generally accepted in the United States.

A Single Audit in accordance with the Federal and State Single Audit Acts and related professional guidance shall be conducted as required. The Auditor shall prepare any required letters, schedules, and forms related to this audit. No single audits were required for the fiscal year ended September 30, 2016; however, the Consortium expects that the grant volume will be significantly greater for fiscal year ended September 30, 2017, requiring a federal single audit.

Internal Controls

In connection with the audit of the financial statements, the auditor shall consider, test, and report on internal controls and perform tests and report on compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards.

2.2. Compliance Requirements

The audit, of the Consortium, must be performed in compliance with the requirements of all of the following:

- Section 215.97, Florida Statutes
- Rules adopted by the Auditor General, relating to local government audits
- Generally Accepted Auditing Standards and generally Accepted Accounting Principles under Chapter 473, Florida Statutes
- Government Auditing Standards
- 2 CFR Part 200
- Single Audit Act of 1996
- State of Florida Single Audit Act

2.3. Proposed Project Timeline

A final and complete opinion letter on the financial statements taken as a whole, as well as any additional letters required by the United States or State of Florida Single Audit Act, shall be delivered to the Gulf Consortium no later than January 31 following the end of the fiscal year under audit.

2.4. Deliverable Copies

The Auditor will provide 35 paper copies and two electronic copies on CDs of the final combined audit report, which will include the individual audits, management letters, and any reports on internal control for the Consortium, and Federal/State Financial Assistance reports.

2.5. Report Preparation

The Auditor will prepare a Single Audit Report for the Consortium.

1. A report of the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with government auditing standards.
3. A report on compliance with requirements applicable to each major Federal Program and on internal control over compliance in accordance with OMB Super Circular and Chapter 10.550, Rules of the Auditor General.
4. A full and complete management letter which shall identify any management weaknesses observed, assess their effect on financial management, and propose steps to correct or eliminate those weaknesses.
5. Any other required reports and schedules required by the Federal and State Single Audit Acts.

2.6. Final Presentations

The partner in charge of the audit and the audit manager must be available to attend an Executive Committee and a Board of Directors meeting of the Consortium, as requested, to discuss the Audit.

2.7. Final Conference

The Auditor will conduct an exit conference with the Consortium or its designee.

SECTION 3. TERM OF CONTRACT

The Consortium anticipates that the term of the agreement will be for three (3) years with the options of two (2) additional one-year renewal periods, unless earlier terminated by either party upon thirty (30) days' written notice.

SECTION 4. INSTRUCTIONS FOR PROPOSALS

4.1. Transmission and Receipt of Proposals.

Email the proposal to:

gulf.consortium@balmoralgroup.us – Please include Audit RFP in the subject line

Or deliver, or mail the proposal to:

Gulf Consortium
Attn: Audit Committee
165 Lincoln Avenue
Winter Park, FL 32789

Proposals must be RECEIVED **no later than 4:00 p.m. on Wednesday, September 6, 2017.**

4.2. Proposal Contents.

The proposal must include:

- a. Description and history of the audit firm. **(1 page)**
- b. Relevant prior governmental auditing experience **(1 page)**
- c. No less than three (3) references for which the firm has performed similar work. **Must use "Reference Form" provided below.**
- d. Staff available for this audit, including identification and qualifications of all personnel who will be assigned to this audit. Include all of the following for each person assigned to this Audit: **(3 pages altogether for this section)**

- i. Names and government audit experience of the partner in charge, the manager, and other supervisory personnel, as applicable, of the Audit.
 - ii. Certification, licensure and CPE training, including copies of all licenses of all persons who are authorized to operate as Independent CPAs under Chapter 473, Florida Statutes, and statements as to whether continuing education requirements of the Florida Institute of CPA's relating to governmental audits have been satisfied.
 - iii. Information on membership in professional societies.
 - iv. Background and qualifications of all other professional audit or other staff assigned to the Audit that are not included in any of the above.
- e. A tentative schedule for performing the key phases of the Audit. **(1 Page)**
- f. Detailed information on the auditor's proposed audit procedures to be followed and anticipated audit approach. **(3 Pages)**
- g. Schedule of fees/hourly rates for personnel to be assigned to this audit and anticipated hours for each member of such personnel to be devoted to this Audit. In the alternative, proposers may provide a lump sum fee for performing the requested auditing services, plus a schedule of fees/hourly rates for personnel to be assigned to the audit that may be used for any additional services. Also include fee structure and actual charges for previous audits performed for other local governments of similar size and budget for the past three years.
- h. A statement acknowledging the firm has sufficient staff and availability to meet or exceed the performance specifications in Section 2 above.
- i. A copy of the firm's latest Peer Review Report.
- j. Acknowledgement of receipt of any addenda issued.
- k. Signed copy of Exhibit A, General Grant Funding Special Proposal Conditions. **(Form attached)**
- l. Provide details of pending litigation against your firm or any members of your personnel in their capacity as members, associates or employees of your firm.
- m. Disclose any past, current, or pending disciplinary action against your firm or any of your personnel by the Florida State Board of Accountancy or any other agency.

The proposal shall be no longer than 12 pages. The 12 page maximum does not include the Reference Form or the Statement on Public Entity Crimes.

SECTION 5. EVALUATION PROCEDURES

The Auditor Selection Committee is composed of 5 members who work in either accounting or finance capacity for one of the 23 member counties participating in the Gulf Consortium. The Committee will evaluate proposals based on a weighted score point formula. The Committee will rank and recommend to the Gulf Consortium, in order of preference, firms to be deemed the most highly qualified to perform the required services after considering the factors contained in this RFP.

Among the factors to be considered by the Committee in evaluating proposals is:

- Government audit experience, including grant audits (25 pts)
- Professional ability of personnel to be assigned to the Audit (20 pts)
- Ability to furnish the required service, including audit approach (20 pts)
- Credibility and response of client references (20 pts)
- Price/Fees (15 pts)

Committee will evaluate each proposal, based on the proposal document submitted, and how those met the criteria and requirements of this RFP. The firms having the highest aggregate point score will be ranked and then recommended to the Consortium for the contract negotiation process.

Note: If the Selection Committee cannot recommend a firm based solely off the document submissions, it reserves the option to create a short-list of the top ranked proposals and pursue telephonic interviews. Based on those interviews and the proposal scores the Selection Committee would choose a firm for recommendation to the Consortium.

SECTION 6. MISCELLANEOUS PROVISIONS

6.1. Proposal Expense

The Consortium will not be liable for any expenses or reimbursement to any firm for costs or expenses incurred in connection with preparation of a response to this RFP.

6.2. Deadline Consequences

Proposals received after the established deadline will not be opened. A proposer may withdraw its proposal by notifying the Consortium in writing at any time prior to the due date. Proposals not so withdrawn will, upon opening, constitute an irrevocable offer for a period of 120 days to provide the Consortium the services set forth in this RFP until the Consortium has selected one of the proposers. Upon opening, proposals become public records and shall be subject to public disclosure in accordance with Chapter 119, Florida Statutes.

6.3. Public Entity Crime Statement

In accordance with section 287.133(2)(a), Florida Statutes, "A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, for Category Two, for a period of 36 months from the date of being placed on the convicted vendor list."

By submission of a proposal in response to this RFP, the Proposer certifies compliance with the above requirements as stated in section 287.133, Florida Statutes.

6.4. Reservation of Rights

The Consortium reserves the right to accept or reject any and/or all proposals to this RFP, to waive irregularities and technicalities, and to request resubmission. The Consortium retains the right to request additional information from any proposer; failure to provide such requested information may result in rejection of the proposal. The Consortium reserves the right to keep proposals submitted and use ideas from them. Any sole response received may or may not be rejected by the Consortium, depending on available competition and timely needs of the Consortium. The Audit Selection Committee and the Consortium shall be the sole judges of the proposals and the resulting agreement that is in its best interest, and its decision shall be final.

6.5. Minority Businesses

The Consortium, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 and the regulations of the U.S. Department of Commerce issued pursuant to such Act, hereby notifies all proposers that it will affirmatively ensure that in any agreement entered into pursuant to this RFP, minority business enterprises will be afforded full opportunity to submit responses to this RFP and will not be discriminated against on the grounds of race, color or national origin in consideration for an award.

6.6. Non Discrimination

All proposers are hereby notified that the selected auditor will comply with the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act and the Florida Civil Rights Act, all as amended. Specifically, by submitting a proposal, each proposer agrees that:

- No person will, on the grounds of race, color, sex, religion, age, disability, national origin or marital status, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program, activity or service funded through an agreement entered into as a result of this RFP and the proposal submitted.

- The proposer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, disability, national origin or marital status. The proposer agrees to post in a conspicuous place, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- The proposer will, in all solicitations or advertisements regarding program activities, services provided or applications for employment, state that all qualified applicants will receive consideration for services or employment without regard to race, color, religion, sex, age, disability, national origin or marital status.
- The Consortium may require the selected auditor to submit reports as may be necessary to indicate non-discrimination. Consortium officials will be permitted access to the Auditor's books, records, accounts and other sources of information and its facilities as may be pertinent to ascertain compliance with non-discrimination laws.

It is expressly understood that the Consortium will have the right to terminate any agreement entered into as a result of this RFP and the proposal submitted thereto upon receipt of evidence of discrimination by the Auditor.

6.7. Indemnification

As part of any agreement that may be entered into as a result of this RFP, the Auditor will indemnify, save and hold harmless the Consortium and all of its officers, agents, employees, contractors or volunteers from all suits, actions, claims, demands and liability of any nature whatsoever arising out of, because of, or due to the breach of the agreement by the Auditor or its subcontractors, agents, employees or volunteers, or due to any negligent act, or occurrence of omission or commission of the auditor, its subcontractors, agents, employees or volunteers. Neither the Auditor nor any of its subcontractors, agents, employees or volunteers will be liable under this paragraph for damages arising out of injury or damage to persons or property directly caused or resulting from the sole negligence of the Consortium or any of its officers, agents, employees, contractors or volunteers.

SECTION 7. INSURANCE REQUIREMENTS

Before entering into an agreement with the Consortium, the Auditor will be required to provide Certificates of Insurance showing that the Auditor has insurance policies in coverages and limits required below from companies authorized to do business in the State of Florida, with a rating of "A" or better. Each policy required below must require that thirty (30) days prior to expiration, cancellation, non-renewal or any material change in coverages or limits, written notice thereof must be given to Consortium. Each Certificate of Insurance will be on a standard ACORD form, listing coverages and limits, expiration dates, terms of policies and all endorsements, and will include the RFP/project name on the Certificate. Each Certificate of Insurance, which is allowed by law to carry an additional named insured, will show "Gulf Consortium, a public entity

created in October 2012 by Interlocal Agreement among Florida's 23 Gulf Coast counties, and its officers, agents, employees, and volunteers," as additional named insured. Any and all deductibles to any insurance policy will be the responsibility of the Auditor. Coverages and limits for the insurance required herein are as follows:

- A. Workers Compensation:** Coverage to apply for all employees for Statutory Limits in compliance with the applicable state and federal laws. The policy must include Employers' Liability with a limit of \$300,000 each accident.
- B. Professional Liability Insurance:** Coverage of a minimum one million dollars (\$1,000,000) in coverage for this project.
- C. Public Liability Insurance:** Policy must include bodily injury and property damage, Combined Single Limits (CSL) of \$300,000 minimum.
- D. Comprehensive General Liability Insurance:** Policies shall include, but not be limited to, Independent Contractor, Contractual, Premises/Operations, Products/Completed Operations and Personal Injury covering liability assumed under indemnification provisions, with limits of liability for personal injury and/or bodily injury, including death, of not less than \$500,000, each occurrence; and property damage of not less than \$100,000, each occurrence. (Combined single limits of not less than \$500,000, each occurrence, will be acceptable unless otherwise stated). Coverage shall be on an "occurrence" basis, and the policy shall include Broad Form Property Damage coverage.
- E. Comprehensive Automobile and Truck Liability:** Policies shall cover owned, hired and non-owned vehicles with minimum limits of \$300,000 each occurrence and property damage of not less than \$100,000 each occurrence. (Combined single limits of not less than \$500,000 each occurrence will be acceptable unless otherwise stated). Coverage shall be on an "occurrence basis" such insurance to include coverage for loading and unloading hazards.

SECTION 8. NEGOTIATIONS

The Consortium will inquire of qualified firms as to the basis of compensation, select the highest-ranked qualified firm recommended by the Selection Committee, and negotiate a contract with that firm. If the Consortium chooses not to select the highest-ranked qualified firm as recommended by the Selection Committee, it may select another firm with which to negotiate a contract. In such event, the Consortium must document, in the public records, the reason for not selecting the highest-ranked qualified firm. Should the Consortium be unable to negotiate a contract with the selected firm, negotiations with that firm will be formally terminated and the Consortium will then negotiate with

the next firm selected by the Consortium, and the process will continue until successful negotiations are reached.

SECTION 9. DEBARMENT AND SUSPENSION.

The Proposer must certify to the best of its knowledge and belief, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.

SECTION 10. AWARD OF RFP, NOTICE OF INTENDED DECISION AND PROTEST.

An award will be made to the responsive, responsible Proposer who ranks highest in the evaluation process, unless otherwise stated elsewhere in this document. The Consortium reserves the right to waive any informality in Proposals and to award a Proposal in whole or in part when either or both conditions are in the best interest of the Consortium.

1. Notice of the intended decision will be posted on the Gulf Consortium website at: www.gulfconsortium.org for a period of seventy-two (72) consecutive hours, which does not include weekends or County observed holidays. Any Proposer who desires to protest the intended decision must file a notice of intent to protest in writing within seventy-two (72) hours after the posting of the notice. Any award recommendation may be protested on the grounds of irregularities in the specifications, solicitation procedure, or the evaluation of the solicitation. Such notice of intent of solicitation protest shall be made in writing to Lynn Hoshihara, Gulf Consortium General Counsel, 1500 Mahan Drive, Ste 200, Tallahassee, FL 32308 or lhoshihara@ngnlaw.com.
2. A Protestor shall file a formal written bid protest within 3 days after the date in which the notice of intent of bid protest has been submitted. Failure to file a notice of intent of protest or failure to file a formal written protest shall constitute a waiver of all rights granted under this section. The Proposer shall be responsible for inquiring as to any and all award recommendation and postings.
3. Should concerns or discrepancies arise during the solicitation process, Proposers are encouraged to contact the General Counsel prior to the scheduled solicitation opening. Such matters will be addressed and remedied if necessary prior to a solicitation opening or award whenever practically possible. Proposers are not to contact any Auditor Selection Committee or Gulf Consortium member.

SECTION 11. ADDITIONAL INFORMATION

Requests for additional information or other inquiries should be made to:

William Smith at (407) 629-2185 x 106 or wsmith@balmoralgroupp.us

The Consortium will not respond to in person oral inquiries. Proposers may submit written, emailed, or telephonic inquiries regarding this RFP to the person listed above. The Consortium will respond to written or emailed inquiries, if those inquiries are received before 4:00 PM on August 23, 2017.

The Consortium will record its responses to inquiries and any supplemental instructions in the form of written addenda and will send written addenda to all proposers who were sent the RFP. Any supplemental information will be posted on the Gulf Consortium's website as well. It is the responsibility of the proposer, before submitting a proposal, to contact the Gulf Consortium Manager to determine if addenda were issued, acknowledging and incorporating them into its proposal

PROPOSED TIME SCHEDULE FOR SELECTION AND ENGAGEMENT OF AUDITORS

Solicitation Release	4:00 PM	August 17, 2017
Question and Answer Ends	4:00 PM	August 23, 2017
Return Deadline for RFP's	4:00 PM	September 6, 2017

If a Short-list is developed then interviews will be held during the week of September 11th

Auditor Selection Committee Meeting	1:00 PM	September 14, 2017
Gulf Consortium Board of Directors Meeting to select firms and authorize negotiation of a contract	1:00 PM	September 27, 2017

The Consortium may continue negotiations to a future date if necessary

EXHIBIT A

GENERAL GRANT FUNDING SPECIAL PROPOSAL CONDITIONS

This solicitation is fully or partially funded by Federal grants. Proposers shall comply with the following:

1. **Drug Free Workplace Requirements:** Drug-free workplace requirements in accordance with Drug Free Workplace Act of 1988 (Pub L 100-690, Title V, Subtitle D) All contractors entering into Federal funded contracts over \$100,000 must comply with Federal Drug Free workplace requirements as Drug Free Workplace Act of 1988.

2. **Contractor Compliance:** The contractor shall comply with all uniform administrative requirements, cost principles, and audit requirements for federal awards.

3. **Conflict of Interest:** The contractor must disclose in writing any potential conflict of interest to the Consortium or pass-through entity in accordance with applicable Federal policy.

4. **Mandatory Disclosures:** The contractor must disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

5. **Utilization of Small and Minority Businesses, Women's Business Enterprises and Labor Surplus Area Firms:** The contractor must take all necessary affirmative steps to assure that small, minority, and women-owned businesses are utilized when possible, in accordance with 2CFR 200.321. If subcontracts are to be let, prime contractor will require compliance of this provision by all sub-contractors. Prior to contract award, the contractor shall document efforts to assure that such businesses are solicited when there are potential sources; that the contractor made an effort to divide total requirement, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses; and, that the contractor has established delivery schedules, where permitted, to encourage such businesses respond. Contractor and sub-contractor shall utilize service and assistance from such organizations as SBA, Minority Business Development Agency of the Department of Commerce, the Florida Department of Management Services (Office of Supplier Diversity), the Florida Department of Transportation, Minority Business Development Center, and Local Government M/DBE programs, available in many large counties and cities. Documentation, including what firms were solicited as suppliers and/or sub-contractors, as applicable, shall be included with the bid proposal.

6. **Equal Employment Opportunity:** (As per Executive Order 11246) The contractor may not discriminate against any employee or applicant for employment because of age, race, color, creed, sex, disability or national origin. The contractor agrees to take

affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their age, race, color, creed, sex, disability or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship.

7. **Davis-Bacon Act:** If applicable to this contract, the contractor agrees to comply with all provisions of the Davis Bacon Act as amended (40 U.S.C. 3141-3148). Contractors 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 Consortium 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.

8. **Copeland Anti-kick Back Act:** If applicable to this contract, contractors 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 contract. Contractors 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.

9. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708):** Where applicable, 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.

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

11. Debarment and Suspension (Executive Orders 12549 and 12689): A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension. SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The contractor shall certify compliance. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions and subcontracts.

12. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. 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.

13. Rights to Inventions Made under a Contract or Agreement: The Consortium, and the Federal Funding Agency, where applicable, shall hold sole rights to all inventions for any experimental, developmental, or research work performed by the Contractor and funded with Government funds through this contract.

14. Procurement of Recovered Materials: Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

15. Access to Records and Reports: Contractor will make available to the Consortium’s granting agency, the granting agency’s Office of Inspector General, the Government Accountability Office, the Comptroller General of the United States, 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 Consortium 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.

16. Record Retention: Contractor will retain of all required records pertinent to this contract for a period of three years, beginning on the date of final payment of contract, unless otherwise specified herein.

17. Federal Changes: Contractor 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 the contract.

18. Termination for Default (Breach or Cause): Contracts in excess of \$10,000 – 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 Consortium 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.

19. Safeguarding Personal Identifiable Information: Contractor 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.

20. Prohibition on utilization of cost plus a percentage of cost contracts: The Consortium will not award contracts containing Federal funding on a cost plus percentage of cost basis.

21. Prohibition on utilization of time and material type contracts: The Consortium will not award contracts based on a time and material basis if the contract contains Federal funding.

22. Disputes: Any dispute arising under this Agreement which is not settled by Agreement of the parties may be settled by mediation or other appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Agreement, Contractor shall proceed diligently with the performance of this Agreement in accordance with the decision of the Consortium. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County.

23. Energy Policy and Conservation Act (43 U.S.C. 6201): Contracts 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].

24. Pursuant to the Restore Council Financial Assistance Standard Terms and Conditions, the contract shall:

- a. Describe how the progress and performance of the Contractor will be monitored during and on close of the period of performance and identify who will be responsible for supervising the contract;
- b. Extend all applicable program requirements to the subrecipient;
- c. Include a requirement that the Contractor or subrecipient retain all records in compliance with 2 C.F.R. 200.333.
- d. Include a requirement that the subrecipient make available to the Council, the Treasury OIG, and the GAO any documents, papers or other records, including electronic records, of the subrecipient, that are pertinent to this award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.

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

DATE:

SIGNATURE:

TITLE:

COMPANY:

ADDRESS:

PHONE:

EMAIL:

PROPOSAL TO SERVE



September 6, 2017

**Proposer**

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

Submitted by

Angela D. Balent, CPA
Angela.Balent@warrenaverett.com
850.275.1224

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Appendix

Exhibit A	
Public Entity Crimes Form	
Experience Auditing Federal Grants	

September 6, 2017

Auditor Selection Committee
Gulf Consortium
165 Lincoln Avenue
Winter Park, FL 32789

Dear Auditor Selection Committee:

We are pleased to provide our qualifications to perform audit services for the Gulf Consortium.

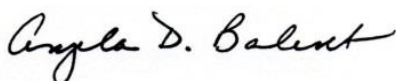
Warren Averett believes we are the best firm to serve Gulf Consortium because of the following reasons:

- We live and work in 4 of the 23 Counties impacted by the Deepwater Horizon Oil Spill. We are personally vested in impacts from the spill and the recovery programs of our ecosystem and economy.
- We have been involved in the RESTORE Act since its infancy. We have tracked the legislation and attended several Gulf Consortium meetings. We knew from the start we needed to be informed and engaged so we could best serve the Florida Counties we audit. Now we stand ready to best serve the Gulf Consortium.
- In Northwest Florida and Alabama we currently audit counties and cities representing total revenues of approximately \$2 billion and a population base totaling more than 6 million citizens. We stand ready to assist Gulf Consortium as you are configured today and will continue to stand ready when the RESTORE Act funds are at its height.
- We provided audit services to the Gulf Consortium for the last three years and have knowledge of the history of the organization and a proven track record as it relates to experience, client service and timeliness in the delivery of services.

Warren Averett's Governmental Practice Group is second to none. It is one of the largest practice groups in the Firm and continues to grow. We employ over 60 auditors who are all "Yellow Book" qualified to serve our governmental clients. Our professionals are committed to providing you the highest level of service to meet your immediate and future needs. Inherent in our culture, and our people, is the promise to help you thrive and accomplish more of what is important to you.

We hope the information enclosed offers you the insight needed to fully consider the advantages of continuing to work with Warren Averett. Thank you for this opportunity, and we look forward to continue serving your team.

Sincerely,



Angela D. Balent, CPA

“Our passion for our clients underscores why we do what we do. 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.”

James Cunningham, CEO
WARREN AVERETT

800+ WARREN
AVERETT
EMPLOYEES

160
MEMBERS

340
CPAs

1 LARGEST CPA FIRM IN
ALABAMA (2017)

2 LARGEST CPA FIRM AMONG
GULF COAST STATES (2017)

5 LARGEST CPA FIRM IN THE
SOUTHEAST (2017)

34 LARGEST CPA FIRM
IN THE U.S. (2017)

AN INDEPENDENT MEMBER OF
BDO
ALLIANCE USA

FIRM OVERVIEW

A. Description and history of the audit firm.

Warren Averett's growth is an acknowledgement that clients find value through our work. Warren Averett has grown substantially over the years and operates now with over 800 employees; including 340 CPAs, 129 Members and 13 offices across the Southeast. Through strategic mergers, alliances, and the recruitment of experienced management and top-level college recruits, Warren Averett maintains a role as a leader in the accounting industry in the Southeast.

Warren Averett is a nationally recognized firm and serves some of the Southeast's largest organizations. We have the resources and depth to successfully meet the needs of our clients. From our most senior Member to our newest recruit, we strongly emphasize and take great pride in high quality service and client satisfaction. The quality of our services has sustained continued growth and resulted in recognition both locally and nationally in rankings of firms by size.

Warren Averett focuses on superior service and offers clients continuity of staffing. 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.

In addition to Warren Averett's breadth of resources and expertise, we can seamlessly offer additional resources as the largest independent member of the BDO Alliance USA. The BDO Alliance USA is a nationwide association of independently owned local and regional accounting, consulting and service firms with similar client service goals, and is a subsidiary of BDO USA, LLP, the fifth largest accounting firm in the country. Our membership gives us access to additional specialty services, niche capabilities, access to personnel resources and the opportunity to work jointly on engagements.

GOVERNMENT AUDITING EXPERIENCE AND REPRESENTATIVE CLIENTS

B. Relevant prior governmental auditing experience.



Through the mergers of our predecessor firms, 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*.

Our Gulf Coast offices have a long history of providing services to governmental clients in Northwest Florida. [Warren Averett is experienced in handling the intricacies of complex, governmental entities](#) and we have the talent and resources to accommodate your current needs and future plans.

Below are a few examples of recent and long-term engagements served from our Gulf Coast offices:

- City of Niceville, Florida
- City of Callaway, Florida
- City of Foley, Alabama
- City of Fort Walton Beach, Florida
- City of Mary Esther, Florida
- City of Milton, Florida
- City of Valparaiso, Florida
- Destin Water Users
- Escambia County, Florida
- Gulf Consortium
- Mid-Bay Bridge Authority
- Okaloosa County, Florida
- Santa Rosa County, Florida
- South Walton Fire District
- South Walton Utility Company, Inc.
- Town of Cinco Bayou, Florida
- Town of Shalimar, Florida
- Town of Century, Florida

Experience Auditing Federal Grants

Warren Averett serves numerous clients throughout the Southeast that have a variety of Federal Programs included in the scope of our audit. For a representative listing of the Federal Programs audited by Warren Averett, please reference the Appendix Section of this proposal.

C. No less than three (3) references for which the firm has performed similar work.

Our professionals are committed to providing close, personal attention to our clients. We encourage you to contact the references listed on the following pages. In speaking with these individuals listed on the Reference Forms, you can hear first-hand about our Firm's qualifications and client service.

Reference Check Form

**Proposer Instructions: Fill out top (box) portion only. (Please print or type)
Include a minimum of 3 references (1 page per reference)**

Title: AUDITING SERVICES – THE GULF CONSORTIUM

Proposer/Respondent: Warren Averett, LLC

Reference: Gulf Consortium

Email: gdelegal@fl-counties.com
adaughty@fl-counties.com

Telephone #: 850.922.4300

Fax #: 850.488.7752

Person to Contact: Ginger Delegal or Anna Doughty, CPA

Reference Instructions: The above Proposer/Respondent has given your name to The Gulf Consortium as a reference. Please complete the information below and email (gulf.consortium@balmoralgroup.us or fax (407-629-2183) within three (3) days.

Describe the scope of work of the contract awarded by your organization to this firm.

Was the Audit or Accounting Service completed on time and within budget?

If not, indicate why: _____

Was the consultant effective in communication, efficiency and time requirements?

If not, indicate why: _____

Please complete rubric on Page 2 based on your experience with the firm in question.

How would you rate the firm on a scale of low (1) to high (10) for the following?

<u>Category</u>	<u>Rating (1-10)</u>	<u>Category</u>	<u>Rating (1-10)</u>
Professionalism		Qualifications	
Budget Control		Cooperation	
Reliability		Final Product	

Professionalism – Manner in which the audit team and its member conducted itself over the course of the engagement.

Budget Control – Ability of the firm to stay within a reasonable range of the agreed upon budget.

Reliability – How easy or difficult was the engagement team to get a hold of or obtain responses from?

Qualifications – Were the accountants doing the job knowledgeable on the pertinent subject matter as well as other areas which impacted your audit or service?

Cooperation – Did the engagement team give clear concise instructions on what was expected of the client?

Final Product – Was the final product in line with the expectations in terms of quality and timeliness?

Would you contract with this firm again? Yes () No () Maybe ()

Reference Check Form

**Proposer Instructions: Fill out top (box) portion only. (Please print or type)
Include a minimum of 3 references (1 page per reference)**

Title: AUDITING SERVICES – THE GULF CONSORTIUM

Proposer/Respondent: Warren Averett, LLC

Reference: City of Fort Walton Beach, Florida

Email: mwomack@fwb.org

Telephone #: 850.833.9521

Fax #: 850.833.9640

Person to Contact: Mindy Womack, Comptroller

Reference Instructions: The above Proposer/Respondent has given your name to The Gulf Consortium as a reference. Please complete the information below and email (gulf.consortium@balmoralgroupp.us or fax (407-629-2183) within three (3) days.

Describe the scope of work of the contract awarded by your organization to this firm.

Was the Audit or Accounting Service completed on time and within budget?

If not, indicate why: _____

Was the consultant effective in communication, efficiency and time requirements?

If not, indicate why: _____

Please complete rubric on Page 2 based on your experience with the firm in question.

How would you rate the firm on a scale of low (1) to high (10) for the following?

<u>Category</u>	<u>Rating (1-10)</u>	<u>Category</u>	<u>Rating (1-10)</u>
Professionalism		Qualifications	
Budget Control		Cooperation	
Reliability		Final Product	

Professionalism – Manner in which the audit team and its member conducted itself over the course of the engagement.

Budget Control – Ability of the firm to stay within a reasonable range of the agreed upon budget.

Reliability – How easy or difficult was the engagement team to get a hold of or obtain responses from?

Qualifications – Were the accountants doing the job knowledgeable on the pertinent subject matter as well as other areas which impacted your audit or service?

Cooperation – Did the engagement team give clear concise instructions on what was expected of the client?

Final Product – Was the final product in line with the expectations in terms of quality and timeliness?

Would you contract with this firm again? Yes () No () Maybe ()

Reference Check Form

**Proposer Instructions: Fill out top (box) portion only. (Please print or type)
Include a minimum of 3 references (1 page per reference)**

Title: AUDITING SERVICES – THE GULF CONSORTIUM

Proposer/Respondent: Warren Averett, LLC

Reference: Okaloosa County, Florida

Email: ksharon@okaloosaclerk.com

Telephone #: 850.689.5000
ext.3431

Fax #: 850.689.5882

Person to Contact: Katie Sharon, Chief Financial Officer

Reference Instructions: The above Proposer/Respondent has given your name to The Gulf Consortium as a reference. Please complete the information below and email (gulf.consortium@balmoralgroup.us or fax (407-629-2183) within three (3) days.

Describe the scope of work of the contract awarded by your organization to this firm.

Was the Audit or Accounting Service completed on time and within budget?

If not, indicate why: _____

Was the consultant effective in communication, efficiency and time requirements?

If not, indicate why: _____

Please complete rubric on Page 2 based on your experience with the firm in question.

How would you rate the firm on a scale of low (1) to high (10) for the following?

<u>Category</u>	<u>Rating (1-10)</u>	<u>Category</u>	<u>Rating (1-10)</u>
Professionalism		Qualifications	
Budget Control		Cooperation	
Reliability		Final Product	

Professionalism – Manner in which the audit team and its member conducted itself over the course of the engagement.

Budget Control – Ability of the firm to stay within a reasonable range of the agreed upon budget.

Reliability – How easy or difficult was the engagement team to get a hold of or obtain responses from?

Qualifications – Were the accountants doing the job knowledgeable on the pertinent subject matter as well as other areas which impacted your audit or service?

Cooperation – Did the engagement team give clear concise instructions on what was expected of the client?

Final Product – Was the final product in line with the expectations in terms of quality and timeliness?

Would you contract with this firm again? Yes () No () Maybe ()

TEAM QUALIFICATIONS

D. Staff available for this audit, including identification and qualifications of all personnel who will be assigned to this audit.



Angela Balent has completed all necessary Continuing Education requirements of the Florida Institute of CPA's.

ANGELA BALENT, CPA

Member in Charge

D 850.275.1224 | F 850.664.2562 | Fort Walton Beach, FL

Angela.Balent@warrenaverett.com

Angela Balent joined the Firm in 1992 and is a Member in the Firm's Audit and Accounting Services Divisions. She has more than 25 years of experience in public accounting and specializes in audit and attest services. She also has extensive experience with governmental and nonprofit, Common Interest Realty Associations and construction and governmental contractors.

Governmental Audit Experience: Gulf Consortium; Okaloosa County, Florida; City of Fort Walton Beach, Florida; City of Callaway, Florida; City of Valparaiso, Florida; Town of Shalimar, Florida; Town of Cinco Bayou, Florida

Professional Affiliations: Economic Development Council of Okaloosa County, Emerald Coast Chapter of the Florida Institute of Certified Public Accountants, Government Finance Officers Association, Florida Government Finance Officers Association, American Institute of Certified Public Accountants,

CPE Training: Governmental Bootcamp, Quality Control and Accounting Update, Latest Developments in Government and Nonprofit



Kristen McAllister has completed all necessary Continuing Education requirements of the Florida Institute of CPA's.

KRISTEN MCALLISTER, CPA, CGFM

Senior Manager

D 850.470.5537 | F 850.435.2888 | Pensacola, FL

Kristen.McAllister@warrenaverett.com

Kristen McAllister joined the Firm in 2004 and is a Senior Manager 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 oversees the planning of engagements and coordination of the fieldwork with clients and the team.

Governmental Audit Experience: Okaloosa County, Florida; Santa Rosa County, Florida; City of Fort Walton Beach, Florida; City of Milton, Florida; City of Niceville, Florida; Town of Shalimar, Florida; City of Foley, Alabama

Professional Affiliations: American Institute of Certified Public Accountants, Florida Institute of Certified Public Accountants, Florida Government Finance Officers Association

CPE Training: 2017 Accounting Trends Update, FGFOA Annual Conference, Latest Developments in Government & Nonprofit Accounting and Auditing 2017



Jack Rowell has completed all necessary Continuing Education requirements of the Florida Institute of CPA's.

AC ROWELL, CPA

Quality Control Member

D 850.444.7204 | F 850.435.2888 | Pensacola, FL

Jack.Rowell@warrenaverett.com

Jack Rowell has been with the Firm since 1980 and is a Member in the Firm's Audit Division. He has over 36 years of experience in public accounting and is a Practice Leader for the Gulf Coast Division. Jack has significant experience serving clients in many different industries with areas of focus including the manufacturing, governmental and nonprofit industries.

Governmental Audit Experience: Santa Rosa County, Florida; Escambia County, Florida; City of Foley, Alabama

Professional Affiliations: Florida Government Finance Officers Association, American Institute of Certified Public Accountants, Florida Institute of Certified Public Accountants

CPE Training: Governmental Bootcamp, Instructor, CPEA A&A Update and EBP Matters, State and Local Government Accounting Conference, Latest Developments in Government and Nonprofit Accounting and Auditing



Nathan Wolbert has completed all necessary Continuing Education requirements for governmental auditing.

* Nathan is a CPA licensed in the state of Pennsylvania.

NAT AN WOLBERT, CPA (PA)

Audit Senior Associate

D 850.244.4647 | F 850.664.2562 | Fort Walton Beach, FL

Nate.Wolbert@warrenaverett.com

Nathan Wolbert joined Warren Averett in 2015 and is a Senior Associate in the Firm's Audit Division. He has more than three years of public accounting experience. Nathan has previously worked for Maher Duessel CPAs in Pittsburgh.

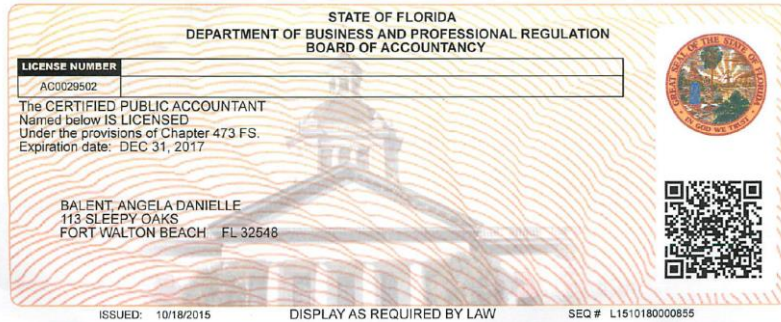
Governmental Audit Experience: Gulf Consortium; Town of Cinco Bayou, Florida; Town of Shalimar, Florida; City of Milton, Florida; City of Valparaiso, Florida; City of Fort Walton Beach, Florida

Professional Affiliations: American Institute of Certified Public Accountants

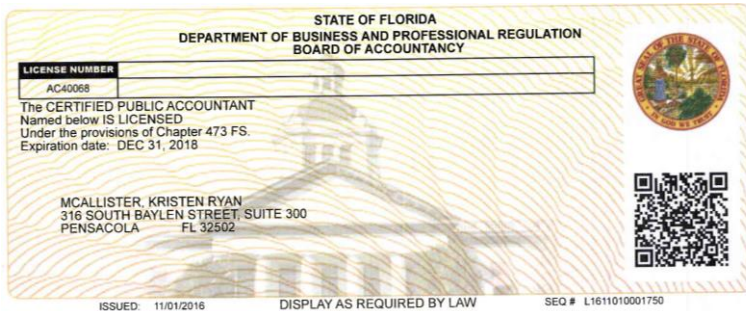
CPE Training: Latest Developments in Government and Nonprofit Accounting and Auditing, Governmental Cross-Walk for GASB-34, Accounting Trends Update

LICENSES

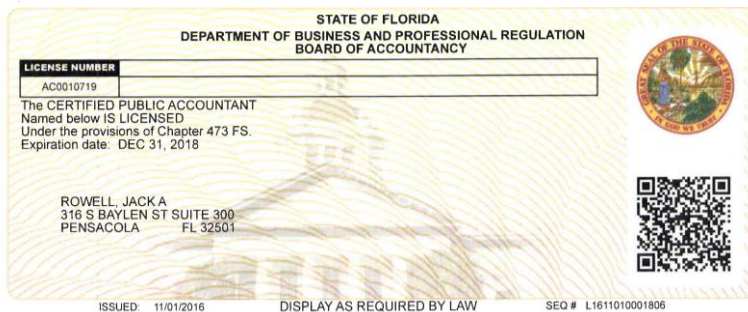
Angela Balent, CPA



Kristen McAllister, CPA



Jack Rowell, CPA



Nathan Wolbert, CPA

BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
P. O. Box 2649
Harrisburg, PA 17105-2649
08/29/2017

License Information

Nathan Andrew Wolbert

Pittsburgh, Pennsylvania 15212

Board/Commission: State Board of Accountancy

License Type: Certified Public Accountant

Specialty Type:

License Number: CA058767

Status: Active

Status Effective Date: 09/05/2014

Issue Date: 09/05/2014

Expiration Date: 12/31/2017

Last Renewal: 12/17/2015

AUDIT SCHEDULE

E. A tentative schedule for performing the key phases of the Audit.

The timetable is based upon our understanding of your financial reporting schedule and other timing considerations. This schedule is flexible, and we will work with you in order to meet your service needs.

TIMELINE				
	September 2017	October 2017	November 2017	January 2018
Begin client acceptance procedures	✓			
Begin planning process	✓			
Meet with management to discuss key operations and issues	✓			
Internal controls evaluation and walk-throughs		✓		
Interim substantive testing		✓		
Year-end audit procedures			✓	
Conduct manager and member reviews of fieldwork and reporting			✓	
Review drafts of audits with management				✓
Discuss any management letter points or findings with management				✓
Meetings with Executive Committee and Board of Directors				✓

UNDERSTANDING OF WORK TO BE PERFORMED AND AUDIT APPROACH

F. Detailed information on the auditor's proposed audit procedures to be followed and anticipated audit approach.

Warren Averett understands the full scope of work and assistance to be provided to Gulf Consortium. We will conduct the 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 (GAS)*, issued by the Comptroller General of the United States;
- the audit requirements of Title 2 U.S. Code of *Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles*;
- *Audit Requirements for Federal Awards (Uniform Guidance)*;
- and Chapter 10:550 *Rules of the Auditor General*.

We are committed to performing the work within the time frame provided and outlining a time-line to meet the reporting deadlines.



KEY FEATURES OF OUR APPROACH

Experience. Extensive participation by the Member, senior manager and other technical resources in all phases of the audit, particularly planning, ensures that you will have experienced personnel involved throughout the engagement. Warren Averett uniquely positions its leadership team as your key contacts, allowing for efficient use of your time.

Continuity. Recognizing that the accountant's knowledge of your entity is cumulative, the staffing goal for our engagements is to provide as many of the same professionals to ensure that knowledge of the client is not re-learned each year. At a minimum, our leadership team serving our clients will remain the same.

Technology. Warren Averett is committed to providing its clients with the most efficient, secure methods of communication. We provide, at no charge, Internet-based secure file portals. These are client specific storage areas that allow information sharing and collaboration between Warren Averett and our clients.

Timing. We will coordinate the timing of the audit with key members of management to ensure that work is completed in a timely manner and all deadlines are met.

Reporting. More than just a report on an organization's financial performance, our engagements typically provide recommendations for improving controls, efficiency and fiscal responsibility. We highlight areas of concern and help you develop pragmatic solutions.

SEGMENT 1: INTERIM WORK PLAN

We estimate 20 to 25 percent of the audit can be completed at interim. Typical “interim” procedures performed will be as follows:

- **Initial Planning Sessions**—Conduct internal planning sessions and make applicable fraud inquiries and discuss any significant events or transactions. We will also discuss with management the areas where we feel further testing is deemed necessary or if they have specific areas of concern prior to finalizing our audit approach.
- **Understanding of Internal Controls**—Review internal control documents to include written policy, manuals and other information and conduct interviews to document our understanding of internal controls relative to financial statements and compliance with laws and regulations.
- **Assessing Audit Risk**—Evaluate risks associated with Gulf Consortium’s operating environment and where your financial statements could be susceptible to material misstatement or fraud while considering the controls you have in place to mitigate these risks.
- **Establishment of Materiality**—Warren Averett has a specific approach for establishing materiality and focusing on certain quantitative and qualitative metrics while evaluating areas historically susceptible to potential or actual errors.
- **Reporting and Disclosures**—Discuss effect of implementation of any new accounting pronouncements. Meet with personnel to determine if any report formatting or note disclosure changes are planned for the coming year. If so, review proposed changes to formats.



SEGMENT 2: DETAILED AUDIT PLAN AND FIELDWORK

Procedures could include, but will not be limited to the following:

- **Substantive Procedures**—Perform test of details based on audit risk assessment through either substantive detail testing or analytical testing. When possible, we will utilize analytical procedures, such as reasonableness tests, trend analysis and predictive tests to reduce substantive testing.
- **Third Party Confirmations**—Utilize third party confirmations for cash, investments, receivables, debt and other balances, as deemed necessary.
- **Data Analysis**—Warren Averett has a group of professionals dedicated to computerized auditing techniques and related data analysis. We use a variety of products including IDEA, Monarch and ACL. This allows for more effective 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.
- Check register listing to search for unrecorded liabilities or checks written during the year.
- Bank or investment statement activity converted to an Excel document. This provides a quick listing of deposits for an entire period/year.
- Vendor file test - convert vendor file to an Excel document that includes addresses and compare to employee files with addresses for any similar or unusual items related to vendor files.
- 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. This includes completeness testing of all activity for the year compared to change in trial balance amounts from year to year.
- We can also assist clients if they have internal uses for data extraction. We routinely assist clients with conversion of PDF information to Excel files.

Our familiarity with Gulf Consortium will help us provide constructive recommendations for management's consideration. All team members will utilize laptop computers and set up a mini-network in the field in order to share electronic data files created as part of the audit.

SEGMENT 3: MANAGEMENT REVIEW, CONFERENCES & REPORT PUBLICATION

Near completion of field work, the necessary upward reviews including Member-in-Charge 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 appear in the management letter will be discussed in advance with personnel.

The last step in the process will be the final review of the report and related release. We understand the established deadline and we will accomplish the necessary Member and quality control reviews within the applicable deadlines.



PROPOSED FEES

G. Schedule of fees/hourly rates for personnel to be assigned to this audit and anticipated hours for each member of such personnel to be devoted to this Audit. In the alternative, proposers may provide a lump sum fee for performing the requested auditing services, plus a schedule of fees/hourly rates for personnel to be assigned to the audit that may be used for any additional services. Also include fee structure and actual charges for previous audits performed for other local governments of similar size and budget for the last three years.

Warren Averett is pleased to submit our proposed fees to provide professional services for Gulf Consortium:

	2017	2018	2019
Base fee	\$5,000	\$5,000	\$5,000
Single Audit Fee*	\$14,931	\$14,931	\$14,931
	\$19,931	\$19,931	\$19,931

**Based on 1% of federal planning grant expenses per the 2017 budget. ($1,493,130 \times 1\% = 14,931$) Actual audit fee would be adjusted each year to reflect 1.0% of incurred federal grant expenses. The maximum fee in any one year (FY 2017/2018/2019) would not exceed \$30,000 regardless of level of federal expenditures.*

Upon acceptance of this proposal, we will complete our client acceptance procedures prior to beginning the engagement. Our fees are based on your current level of operations and assume the current level of accounting and auditing standards. Changes in legal structure, acquisitions or a change in the reporting or filing requirements could require adjustments to these fees.

To gain optimum use of existing staff in your organization, fees are computed on the assumption that we will receive the assistance of your personnel in analyzing accounts, locating requested documents and drafting financial statements and footnote disclosures. If extraordinary circumstances are encountered, we will consult with you before performing additional procedures.

Incidental Charges

We believe in complete transparency in fees, which means we quote services based on experience and realistic expectations to avoid unexpected fees and we will mutually agree upon a fee in advance of any work, should a change in scope or additional projects outside the scope of this proposal become necessary.

Additionally, Gulf Consortium will not receive a bill for every quick phone call or email. Communications that result in a significant investment of time or the production of some type of deliverable may be included on your bill. Services outside the scope of work may be subject to billings outside the fixed fee quote; however, if additional billings are anticipated, we will discuss with management prior to performing the work.

Similar Government Audits

Below are the fees and actual charges for similarly sized governmental clients that Warren Averett has provided services for within the last three years.

City of Fort Walton Beach, Florida		City of Valparaiso, Florida		Town of Shalimar, Florida	
Fixed Fee		Fixed Fee		Fixed Fee	
FY 2016 Fee	\$56,359	FY 2016 Fee	\$31,900	FY 2016 Fee	\$13,260
FY 2016 Actual Charges	\$56,359	FY 2016 Actual Charges	\$31,900	FY 2016 Actual Charges	\$13,260

Hourly Rates

Below are the hourly rates to be charged for each staff person's time for the purpose of additional services.

Engagement Team	Hourly Rate
Angela Balent, Member in Charge	\$210
Kristen McAllister, Senior Manager	\$190
Jack Rowell, Quality Control Member	\$210
Nate Wolbert, Senior Associate	\$170

. A statement acknowledging the firm has sufficient staff and availability to meet or exceed the performance specifications.

Warren Averett has the depth of resources, experience and availability to serve Gulf Consortium, and we are committed to providing you with the highest level of service to meet your immediate and future needs.

I. A copy of the firm's latest Peer Review Report.

Warren Averett is respected as an industry leader in developing and adhering to quality review standards, and we have received an unqualified opinion from every independent peer review team that has visited our Firm. Our last peer review was conducted in 2016 by Henderson Hutcherson & McCullough, PLLC of Chattanooga, Tennessee.

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. Warren Averett received the highest possible peer review rating. This quality control review also included a review of specific governmental engagements. A copy of our most recent peer report can be found on the following page.

. Acknowledgement of receipt of any addenda issued.

Warren Averett has reviewed the Response for Questions Received posted on the Gulf Consortium's website.

. Signed copy of Exhibit A, General Grant Funding Special Proposal Conditions.

A signed copy of Exhibit A can be found in the Appendix Section of the proposal.

L. Provide details of pending litigation against your firm or any members of your personnel in their capacity as members, associates or employees of your firm.

In the past five years, there has been no litigation that resulted in a finding of liability or a monetary judgment against Warren Averett.

M. Disclose any past, current, or pending disciplinary action against your firm or any of your personnel by the Florida State Board of Accountancy or any other agency.

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



CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA | MEMPHIS

System Review Report

December 9, 2016

To The Partners
Warren Averett, LLC
And the National Peer Review Committee

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, 2016. 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. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. 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. 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. The nature, objectives, scope, limitations of, and the procedures performed in a System review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 and SOC 2 engagements].

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, 2016, 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

AN INDEPENDENT MEMBER OF THE BDO ALLIANCE USA

APPENDIX



Warren Averett works closely with our clients, going beyond the typical tax and audit services. Our goal is to be your trusted advisor. Our expertise in various service areas has evolved as we strive to meet our clients' needs and expectations.

AREAS WE SERVE BEYOND TAX AND AUDIT

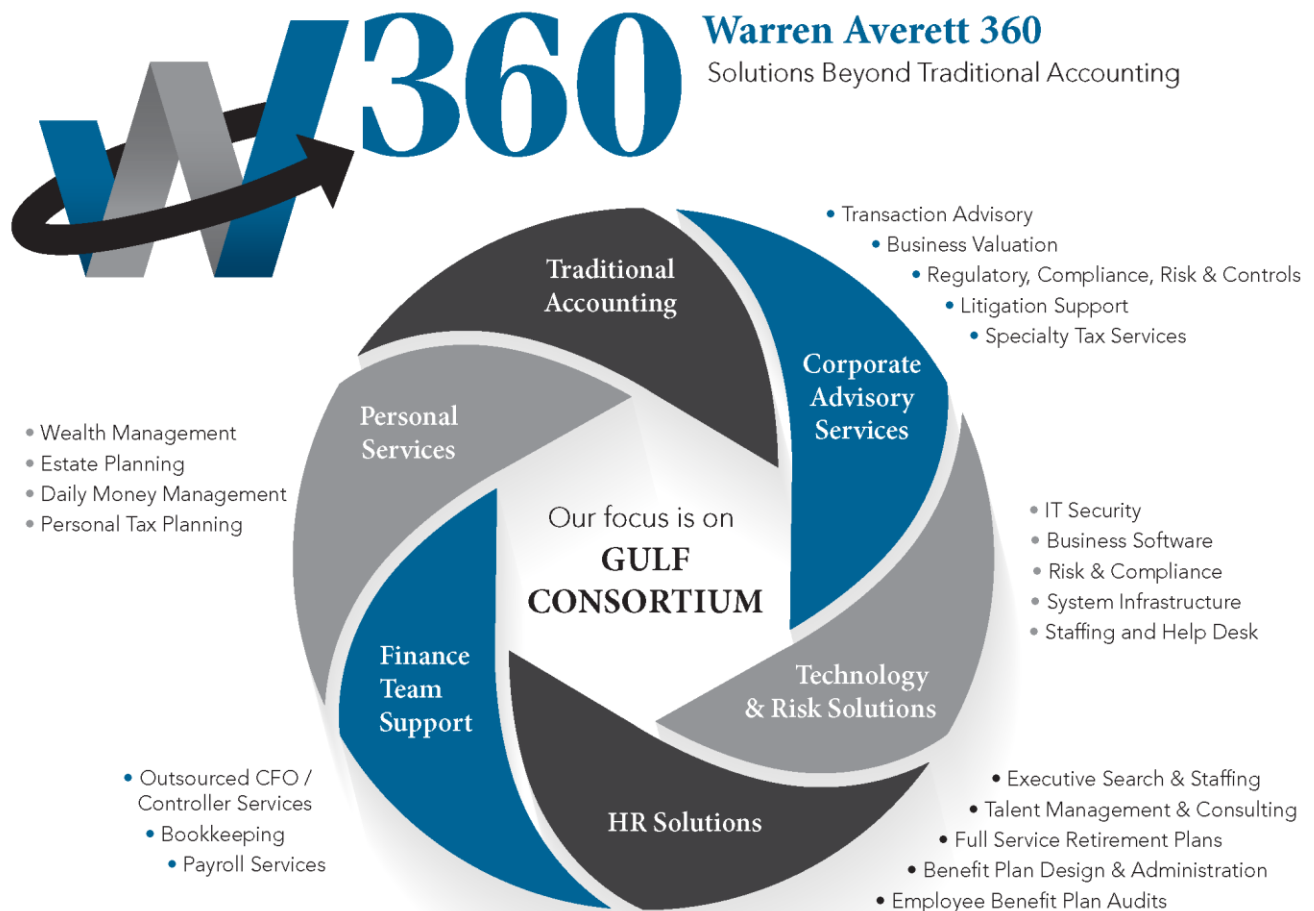


EXHIBIT A

EXHIBIT A GENERAL GRANT FUNDING SPECIAL PROPOSAL CONDITIONS

This solicitation is fully or partially funded by Federal grants. Proposers shall comply with the following:

1. **Drug Free Workplace Requirements:** Drug-free workplace requirements in accordance with Drug Free Workplace Act of 1988 (Pub L 100-690, Title V, Subtitle D) All contractors entering into Federal funded contracts over \$100,000 must comply with Federal Drug Free workplace requirements as Drug Free Workplace Act of 1988.
2. **Contractor Compliance:** The contractor shall comply with all uniform administrative requirements, cost principles, and audit requirements for federal awards.
3. **Conflict of Interest:** The contractor must disclose in writing any potential conflict of interest to the Consortium or pass-through entity in accordance with applicable Federal policy.
4. **Mandatory Disclosures:** The contractor must disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
5. **Utilization of Small and Minority Businesses, Women's Business Enterprises and Labor Surplus Area Firms:** The contractor must take all necessary affirmative steps to assure that small, minority, and women-owned businesses are utilized when possible, in accordance with 2CFR 200.321. If subcontracts are to be let, prime contractor will require compliance of this provision by all sub-contractors. Prior to contract award, the contractor shall document efforts to assure that such businesses are solicited when there are potential sources; that the contractor made an effort to divide total requirement, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses; and, that the contractor has established delivery schedules, where permitted, to encourage such businesses respond. Contractor and sub-contractor shall utilize service and assistance from such organizations as SBA, Minority Business Development Agency of the Department of Commerce, the Florida Department of Management Services (Office of Supplier Diversity), the Florida Department of Transportation, Minority Business Development Center, and Local Government M/DBE programs, available in many large counties and cities. Documentation, including what firms were solicited as suppliers and/or sub-contractors, as applicable, shall be included with the bid proposal.
6. **Equal Employment Opportunity:** (As per Executive Order 11246) The contractor may not discriminate against any employee or applicant for employment because of age, race, color, creed, sex, disability or national origin. The contractor agrees to take

affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their age, race, color, creed, sex, disability or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship.

7. **Davis-Bacon Act:** If applicable to this contract, the contractor agrees to comply with all provisions of the Davis Bacon Act as amended (40 U.S.C. 3141-3148). Contractors 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 Consortium 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.

8. **Copeland Anti Kick Back Act:** If applicable to this contract, contractors 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 contract. Contractors 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.

9. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708):** Where applicable, 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.

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

11. Debarment and Suspension (Executive Orders 12549 and 12689): A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension. SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The contractor shall certify compliance. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions and subcontracts.

12. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. 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.

13. Rights to Inventions Made under a Contract or Agreement: The Consortium, and the Federal Funding Agency, where applicable, shall hold sole rights to all inventions for any experimental, developmental, or research work performed by the Contractor and funded with Government funds through this contract.

14. Procurement of Recovered Materials: Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

15. Access to Records and Reports: Contractor will make available to the Consortium’s granting agency, the granting agency’s Office of Inspector General, the Government Accountability Office, the Comptroller General of the United States, 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 Consortium 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.

16. **Record Retention:** Contractor will retain of all required records pertinent to this contract for a period of three years, beginning on the date of final payment of contract, unless otherwise specified herein.

17. **Federal Changes:** Contractor 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 the contract.

18. **Termination for Default (Breach or Cause):** Contracts in excess of \$10,000 – 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 Consortium 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.

19. **Safeguarding Personal Identifiable Information:** Contractor 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.

20. **Prohibition on utilization of cost plus a percentage of cost contracts:** The Consortium will not award contracts containing Federal funding on a cost plus percentage of cost basis.

21. **Prohibition on utilization of time and material type contracts:** The Consortium will not award contracts based on a time and material basis if the contract contains Federal funding.

22. **Disputes:** Any dispute arising under this Agreement which is not settled by Agreement of the parties may be settled by mediation or other appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Agreement, Contractor shall proceed diligently with the performance of this Agreement in accordance with the decision of the Consortium. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County.

23. **Energy Policy and Conservation Act (43 U.S.C. §6201):** Contracts 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].

24. Pursuant to the Restore Council Financial Assistance Standard Terms and Conditions, the contract shall:

- a. Describe how the progress and performance of the Contractor will be monitored during and on close of the period of performance and identify who will be responsible for supervising the contract;
- b. Extend all applicable program requirements to the subrecipient;
- c. Include a requirement that the Contractor or subrecipient retain all records in compliance with 2 C.F.R. 200.333.
- d. Include a requirement that the subrecipient make available to the Council, the Treasury OIG, and the GAO any documents, papers or other records, including electronic records, of the subrecipient, that are pertinent to this award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.

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

DATE: 9-5-2017

SIGNATURE: Angela D. Balent, CPA

TITLE: Member

COMPANY: Warren Averett, LLC

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

PHONE: 850-275-1224

EMAIL: Angela.Balent@warrenaverett.com

PUBLIC ENTITY CRIMES FORM

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

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER

OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Gulf Consortium
[print name of public entity]

By Angela Balent, CPA
[print individual's name and title]

For Warren Averett, LLC
[print name of entity submitting sworn statement]

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 45-4084437 (If the
entity has no FEIN, include the Social Security Number of the individual signing this sworn statement:
.)

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any 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.

3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication 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, nonjury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" as defined in Paragraph 287.133 (1)(a), Florida Statutes, means:

1. A predecessor or successor of a person convicted of a public entity crime; or
2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting 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.

5. I understand that a "person" as defined in Paragraph 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.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. [indicate which statement applies.]

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

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

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Angela Balent, CPA
[signature]

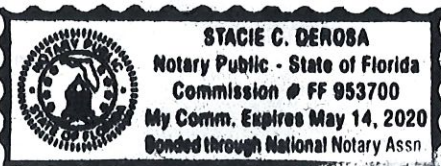
Sworn to and subscribed before me this 5th day of September, 2017.

Personally known ✓

OR Produced identification _____ Notary Public - State of Florida

(Type of Identification)

My commission expires 5/14/20



(Printed typed or stamped Commissioned name of Notary Public)

This form must be completed and returned with your RFP submittal.

EXPERIENCE AUDITING FEDERAL GRANTS

Warren Averett serves numerous governmental clients throughout the Southeast that have a variety of Federal Programs that are included within the scope of our audit. A representative listing of Federal Programs that Warren Averett has experience auditing is listed below and on the following page.

U.S. Department of Agriculture

Cooperative Forestry Assistance
National School Lunch Program
Rural Business Enterprise Grants
School Breakfast Program
Summer Food Program
Supplemental Nutrition Assistance Program
Urban and Community Forestry

U.S. Department of Defense

Department of the Army
Defense Human Resources Activity
Office of Economic Adjustment

U.S. Election Assistance Commission

Federal Elections Activity
Help America Vote

U.S. Department of Energy

Energy Efficiency and Conservation Block Grant

U.S. Environmental Protection Agency

Environmental Justice Small Grants Program
Federal Elections Activity
Southeast US Regional Targeted Watershed Initiative
Florida Pass Through
Wildlife Restoration Program

U.S. Department of Health and Human Services

Child Support Enforcement
Medical Assistance Program
Block Grant for Community Mental Health Services
Block Grant for Prevention and Treatment of Substance Abuse
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease
Senior Services Special Programs for Aging
Supportive Services and Senior Centers
HIV Care Formula Grants

U.S. Department of Homeland Security

Federal Emergency Management-Public Assistance
Corporation for National and Community Service
AmeriCorps
FEMA Hurricane Isaac
Disaster Grants
Homeland Security Grant Program
Emergency Management Performance Grants
Hazard Mitigation Grant
Strengthening Communities Fund
Public Health Emergency Preparedness
State Homeland Security Grants
Metropolitan Medical Response System
Severe Repetitive Loss Program
Domestic Security
Citizens Corps
Community Emergency Response Team

Experience Auditing Federal Grants (continued)

U.S. Department of Homeland Security

Hazmat Materials and Training
Staffing for Adequate Fire and Emergency Response
Assistance to Firefighters

U.S. Department of Housing and Urban Development

Community Development Block Grant
Entitlement Grants Cluster
Home Investment Partnership
Home Solution Grant Program
Emergency Solutions Grant Program
Homeless Prevention and Rapid Re-Housing
Neighborhood Stabilization Program
Emergency Shelter Grant Program
Disaster Recovery Grant

U.S. Department of Interior

Florida Fish and Wildlife Conservation
Historic Preservation Fund Grants
National Park Service

U.S. Department of Justice

Edward Byrne Memorial/JAG Program
Violence Against Women Formula Grants
COPS Hiring Recovery Program
Public Safety Partnership and Community Policing Grants
Safe Haven Grant
Congressionally Recommended Awards (E911)
Crime Victim Assistance

COPS Technology
Project Sky Guardian
FBI - Mobile Safe Streets
Fish and Wildlife Service
Federal Equitable Sharing Funds
Project Safe Neighborhood
Anti-Gang Initiative

U.S. Department of Labor

Senior Community Service Employment
Workforce Investment Programs
Non-Custodial Parent Placement

U.S. Department of Transportation

Airport Improvement Program
Emergency Management Performance Grants
Federal Transit Formula Grants
Highway Planning and Construction
Formula Grants for other than Urbanized Areas
Federal Transit Capital Investment Grants
State and Community Highway Safety
Hazard Mitigation Grant
Federal Aviation Administration
Local Agency Program
Pass Through FL Department of Transportation
Airport Improvement FAA
U.S. Environmental Protection Agency
Mobile Bay National Estuary Program
Federal Transit Administration Capital Grants
Non-Urbanized Transportation

EXHIBIT B
ENGAGEMENT LETTER

TERMS OF ENGAGEMENT
SEPTEMBER 20, 2018

Warren Averett, LLC is pleased to confirm our understanding of the services we are to provide for Gulf Consortium (the "Client") and any of its affiliated entities. This agreement confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

Services Provided

We are pleased to confirm our understanding of the services we are to provide the Client for the year ended September 30, 2018. We will audit the financial statements of the business-type activities including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Client as of and for the year ended September 30, 2018. Accounting standards generally accepted in the United States of America 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. 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 evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

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 auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a separate written report accompanying our auditor's report on the financial statements.

1) Schedule of Expenditures of Federal Awards

We will also examine the compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*, of the Gulf Consortium as of September 30, 2018.

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes 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 *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states 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 report on internal control over compliance will include a paragraph that states 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. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; 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 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 the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Members of the Gulf Consortium. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. 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.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 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 abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting 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 a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards 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 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, and of any material abuse that comes to our attention. 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.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by

correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. 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, 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. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

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.

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 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Client's major programs. 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 in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Client in conformity with U.S. generally accepted accounting principles 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 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.

Management Responsibilities

Management is responsible 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 U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) 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.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. 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, (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.

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 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. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse 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 received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to [include the audited financial statements with any presentation of the schedule of expenditures of federal awards 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 in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (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. 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 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.

Management is responsible for the presentation of compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are responsible for assuming all management responsibilities and for overseeing the nonattest services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services. We understand that you will provide us with the basic information required for our examination engagement and that you are responsible for the accuracy and completeness of that information. We may advise you about appropriate criteria or assist in the development of the subject matter, but the responsibility for the subject matter remains with you. At the end of the examination engagement, we will require a representation letter from management.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, 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 financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, 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.

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, auditors' 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 auditors' reports or nine months after the end of the audit period.

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 Gulf Consortium; 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 the primary funding Federal Oversight Agency 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 applicable. 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.

Our fees for these services will be \$18,000. The fees for services may include a premium for service resulting from other factors deemed relevant, including, but not necessarily limited to, the difficulty of the issues and the time limitations imposed. Other requested services will generally be billed at our standard rates in effect at the time the services are performed.

Billing

Invoices are due upon receipt. In the event that payment is not received within 45 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.

Legal Fees

In addition to the fees for services described in this agreement, the Client agrees to pay legal fees incurred in connection with any suit to recover fees due from you on this engagement, and legal fees incurred by Warren Averett, LLC in responding to any third-party request for production and/or subpoenas related to your records and our work done for you in connection with an engagement thereon.

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 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.

Indemnity

The Client agrees to release, defend, indemnify and hold Warren Averett, LLC and its members, managers, officers and employees and the respective heirs, executors, personal representatives, successors, and assigns of each of them harmless from any and all claims which arise from knowing misrepresentations to Warren Averett, LLC by the Client, including its management, board of directors, employees and other duly authorized representatives, or intentional withholding or concealment of information from Warren Averett, LLC by the Client.

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

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account including service providers located outside of the United States. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. Furthermore, we will remain responsible for the work provided by any such third-party service providers. By signing this letter, you consent to allow us to disclose your financial information to our service providers located abroad. 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.

Term

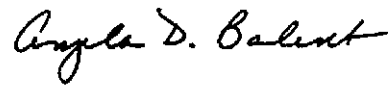
This agreement shall survive the termination of the Client's engagement of Warren Averett, LLC.

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.

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

WARREN AVERETT, LLC



Angela D. Balent, CPA

September 20, 2018

Date

RESPONSE: This letter correctly sets forth the understanding of the Client.

Management Signature and Title

Date

EXHIBIT C

SPECIAL CONDITIONS

This Agreement is fully or partially funded by Federal grants and therefore, the Contractor will be required to comply with the following provisions:

1. **Drug Free Workplace Requirements:** All Contractors entering into Federal funded contracts over \$100,000 must comply with Federal Drug Free workplace requirements as Drug Free Workplace Act of 1988 (Pub l 100-690, Title V, Subtitle D).

2. **Contractor Compliance:** The Contractor shall comply with all uniform administrative requirements, cost principles, and audit requirements for federal awards.

3. **Conflict of Interest:** The Contractor must disclose in writing any potential conflict of interest to the Consortium or pass-through entity in accordance with applicable Federal policy.

4. **Mandatory Disclosures:** The Contractor must disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

5. **Utilization of Small and Minority Businesses, Women's Business Enterprises and Labor Surplus Area Firms:** The Contractor must take all necessary affirmative steps to assure that small, minority, and women-owned businesses are utilized when possible, in accordance with 2CFR 200.321. If subcontracts are to be let, prime contractor will require compliance of this provision by all sub-contractors. Prior to contract award, the Contractor shall document efforts to assure that such businesses are solicited when there are potential sources; that the contractor made an effort to divide total requirement, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses; and, that the Contractor has established delivery schedules, where permitted, to encourage such businesses respond. Contractor and sub-contractor shall utilize service and assistance from such organizations as SBA, Minority Business Development Agency of the Department of Commerce, the Florida Department of Management Services (Office of Supplier Diversity), the Florida Department of Transportation, Minority Business Development Center, and Local Government M/DBE programs, available in many large counties and cities. Documentation, including what firms were solicited as suppliers and/or sub-contractors, as applicable, shall be included with the bid proposal.

6. **Equal Employment Opportunity:** (As per Executive Order 11246) The Contractor may not discriminate against any employee or applicant for employment because of age, race, color, creed, sex, disability or national origin. The Contractor agrees to take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their age, race, color, creed, sex, disability or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship.

7. **Davis-Bacon Act:** If applicable, the Contractor agrees to comply with all provisions of the Davis Bacon Act as amended (40 U.S.C. 3141-3148). Contractors 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 are required to pay wages not less than once a week. If the grant award contains Davis Bacon provisions, the Consortium 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.

8. **Copeland Anti Kick Back Act:** If applicable, Contractors 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 Agreement. Contractors 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.

9. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708):** Where applicable, 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.

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

11. **Debarment and Suspension (Executive Orders 12549 and 12689):** A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), Debarment and Suspension. SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The contractor shall certify compliance. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions and subcontracts.

12. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. 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.

13. Rights to Inventions Made under a Contract or Agreement: The Consortium, and the Federal Funding Agency, where applicable, shall hold sole rights to all inventions for any experimental, developmental, or research work performed by the Contractor and funded with Government funds through this contract.

14. Procurement of Recovered Materials: Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

15. Record Retention and Access to Records and Reports: In accordance with Federal regulatory requirements described in 2 C.F.R. § 200.333 and § 200.336, and Section N(0.2)(b) and Section N(0.4)(c) of the RESTORE Council Standard Terms and Conditions, the Contractor must retain all financial records, supporting documents, statistical records, and all other records pertinent to the RESTORE Act Spill-Impact Component (Pot 3) award agreement between the Gulf Consortium and the RESTORE Council for a period of three (3) years from the date of the submission of the final expenditure report. Furthermore, the Contractor must make available to the Council, the Treasury OIG, and the GAO any documents, papers or other records pertinent to this award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. The Contractor is also responsible for the timely and reasonable access to the Contractor's personnel for the purpose of interview and discussion related to such documents. The access to records requirements described above shall continue as long as the records are required to be retained.

16. Federal Changes: Contractor 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 the contract.

17. Termination for Default (Breach or Cause): Contracts in excess of \$10,000 – 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 Consortium 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.

18. Safeguarding Personal Identifiable Information: Contractor 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.

19. Prohibition on utilization of cost plus a percentage of cost contracts: The Consortium will not award contracts containing Federal funding on a cost plus percentage of cost basis.

20. Prohibition on utilization of time and material type contracts: The Consortium will not award contracts based on a time and material basis if the contract contains Federal funding.

21. Disputes: Any dispute arising under this Agreement which is not settled by Agreement of the parties may be settled by mediation or other appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Agreement, Contractor shall proceed diligently with the performance of this Agreement in accordance with the decision of the Consortium. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County.

22. Energy Policy and Conservation Act (43 U.S.C. §6201): Contracts 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].

23. Pilot Program for Enhancement of Employee Whistleblower Protections. The National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. No. 112-239, enacted January 2, 2013 and codified at 41 U.S.C. 4712) includes a pilot program of whistleblower protection. It applies to all Council awards, subawards, or contracts under awards issued beginning July 1, 2013 through January 1, 2017. Non-Federal entities and contractors under Federal awards and subawards shall inform their employees in writing of the rights and remedies provided under 41 U.S.C. 4712, in the predominant native language of the workforce.

24. Hatch Act. The recipient and any subrecipients, contractors and subcontractors must comply with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328), as applicable, which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

AGENDA ITEM 10
Board Action Required

**Gulf Consortium
September 27, 2017**

**Agenda Item 10
Proposed FY 19 Budget for the Gulf Consortium**

Statement of Issue:

Request for Board approval of the FY 18-19 Budget.

Background:

The Gulf Consortium's fiscal year runs from October 1 to September 30. A budget is required for approval before October 1 of each year, pursuant to the Gulf Consortium Interlocal Agreement (Section 4.02) and Chapter 129, F.S.

Prior year budgets included anticipated Grant proceeds for the SEP Planning Grant, funds to conduct meetings and carry out operations and legal obligations of the Consortium not covered by the SEP Planning Grant. The SEP Planning Grant expires with its approval by Council (expected September 27, 2018). Consequently, the proposed budgeted items include all costs to operate and administer board meetings and interim processes as required, and which are not eligible for reimbursement under the Stand-up SEP (SSEP) Planning Grant.

Analysis:

For FY 2019, funds are anticipated to be received from three sources: the SSEP Planning Grant, SEP (Project Implementation) Grants, and County funds for items which are not allowable as SSEP Grant expenses.

Operational costs were estimated based on historical costs for meeting administration and grant management, and costs identified as likely under the SSEP and SEP Project Implementation Grants.

Conservative assumptions were used to ensure budgeting is adequate for sufficient levels of operations during SEP Implementation. Best available information at time of drafting was used in preparation of the Budget. Primary assumptions include approval of the SSEP Planning Grant by October 2018, and approximately 12 Consortium services procurement activities during the first half of the fiscal year.

The expenses for developing SEP project implementation grants are also part of the budget as reimbursements pass through the Consortium. The final SEP proposes forty (40) projects to advance in the first year of SEP implementation, which coincides with the Consortium fiscal year. However, the Consortium remains "high" risk per Council and will not be positioned to submit grant applications until most or all of the SSEP has been implemented, expected by February 2019. Consequently, perhaps as few as one-half of the projects scheduled for Implementation Year 1 will be initiated during FY 19, although the Consortium may seek to accelerate that schedule.

Based on discussion with Council, likely turnaround for grant approvals is approximately 60 days under normal volume and potentially twice that during heavy volume. While the approved Florida SEP reflects more than 40 projects in the first fiscal year, but many similar projects, such as feasibility studies, can be combined into one funding application to lower costs and administrative time.

It is estimated the non-grant cost to operate the Consortium will be roughly \$105,000 for the next fiscal year. That cost is split roughly one third fixed costs including meeting expense, audit expense, and bank fees and the other two-thirds variable costs such as legal and management fees. The Stand-Up SEP was authorized for \$221,038 and these funds will be used to create the architecture necessary for the Implementation grants to flow through the Consortium and these costs include but are not limited to procurement of services, creation of grant management platform, and creation of several standard operating policies. Project-funding totals \$10.8 million for budgeting purposes, this is the estimated draw down amount based on scheduling of year one grants getting underway.

Table 1 provides a summary by cost category.

Table 1. Budget Summary by Cost Category

Cost Category	2018-19 Budget
SSEP - One Time Expense	221,038
SEP (Implementation Grants) Expenses	10,477,540
Fixed and variable Operating Expenses	105,000
Total	10,803,578

Funding sources as described above are summarized in Table 2.

Table 2. Budget Summary by Funding Category

Funding Source	2018-19 Budget
Stand-Up SEP Grant	221,038
Florida SEP Grant	10,477,540
County Funding	70,025
Total	10,768,603

The proposed budget allows for establishment of Council-required financial upgrades to support implementation and is considered adequate for Consortium operations through the first year of implementation. Note the Consortium's operating expenses do exceed revenues as the Board approved a reduction of dues by ½ to make use of Consortium's cash reserves currently on hand.

Options:

Option #1, Approve the Proposed FY 19 Budget
Option #2, Board Direction

Recommendation:

Board Approval of Option #1.

Attachment:

Proposed FY 19 Budget

Prepared by:

William Smith, Comptroller
The Balmoral Group, Manager
On: September 18, 2018

ATTACHMENT: PROPOSED FY 2019 BUDGET

REVENUES	County Funds	SSEP Funds	Imp Funds	Total
County Funding	\$ 70,025			\$ 70,025
Stand-Up SEP Grant		\$ 221,038		221,038
Florida SEP Grant			\$ 10,477,540	10,477,540
TOTAL REVENUES	70,025	221,038	10,477,540	10,768,603
DISBURSEMENTS				
Planning Grant (PSEP) Expenses				
ESA Contract Consulting Task 14				-
Subtotal Planning Grant Expenses	-	-	-	-
Stand-Up (SSEP) Expenses				
Pre-Award costs		39,770		39,770
Grant Management Platform		30,183		30,183
Sub-award protocol and conditions development		70,110		70,110
Services Procurement & Related Contract Activities		30,750		30,750
Grant Bundling and Administration		50,225		50,225
Subtotal SSEP Expenses	-	221,038	-	221,038
Florida State Expenditure Plan (FSEP) Project Implementation Expenses				
County Projects (project costs excluding grant mgmt)			10,357,470	
Subtotal FSEP Expenses	-	-	10,357,470	10,357,470
General Operating Expenses				
Management Expense	40,000			40,000
Legal Expense	25,000			25,000
Grant-specific Management Work Order 5B (Langton)				-
Implementation-dependent			104,534	104,534
Meeting and Travel Expense	12,500			12,500
Miscellaneous	2,500			2,500
Audit Expense	25,000	-	-	25,000
Fiscal Agent Expense	-	-	15,536	15,536
Subtotal General Operating	105,000	-	120,070	225,070
TOTAL EXPENSES	105,000	221,038	10,477,540	10,803,578

AGENDA ITEM 11

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 11
Gulf Consortium Draft Procurement Policy**

Statement of Issue:

Presentation of a Draft Procurement Policy for the Gulf Consortium. For information only. No action is required in this item.

Background:

As a step in implementing the Stand-up SEP and creating the necessary administrative architecture for the Gulf Consortium to receive SEP project implementation grants and to administer County sub-awards, the Gulf Consortium requires a comprehensive procurement policy that meets the requirements of the RESTORE Council, as outlined by its Organizational Self-Assessment (OSA) documentation. The Draft Procurement Policy provides clear procedures, including internal reviews and approvals, for securing services required by the Consortium.

The Draft Procurement Policy has been reviewed by the General Counsel for consistency with all applicable US Treasury guidelines and Florida law.

Analysis:

The Draft Procurement Policy is based in part on the Leon County policy underlying the advertisement and selection procedures for the services of General Manager and General Counsel. The Draft document has been modified to address the unique structure and responsibilities of the Consortium.

Staff propose to amend the Draft Policy based on initial Board direction, feedback from the individual RESTORE Act coordinators, and public comment between October 1 and November 9, providing time for review of the next iteration of the Policy by the Executive Committee and Board consideration for approval at its November 2019 meeting.

Recommendation:

No action required; for information only.

Prepared by:

William Smith
The Balmoral Group, Manager
On: September 19, 2018

Attachment:

Not included in Board Packet; Draft Procurement Policy and Procedures to be distributed for review and discussion at Board meeting.

AGENDA ITEM 12

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 12
Gulf Consortium Draft Internal Controls**

Statement of Issue:

Presentation of Draft policy and procedures for internal controls for the Gulf Consortium. For information only; no action is required in this item.

Background:

As a step in implementing the Stand-up SEP and creating the necessary administrative architecture for the Gulf Consortium to receive SEP project implementation grants and to administer County sub-awards, the Gulf Consortium requires formalized internal controls that meet the requirements of the RESTORE Council, as outlined by its Organizational Self-Assessment (OSA). The Draft policy and procedures provide the mechanisms, rules and procedures to ensure the integrity of financial and accounting information, promote accountability and prevent fraud.

The Draft internal controls have been reviewed by the General Counsel for consistency with all applicable US Treasury guidelines and Florida law.

Analysis:

The Draft Policy for internal controls is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework for enterprise risk management, internal control and fraud deterrence designed to improve organizational performance and governance, and to reduce the extent of fraud in organizations. The Draft document has been tailored to address the unique structure and responsibilities of the Consortium.

Staff propose to amend the Draft internal controls based on Board direction, feedback from individual RESTORE Act coordinators, and public comment between October 1 and November 9, providing time for review of the next iteration by the Executive Committee and Board consideration for approval at its November 2019 meeting.

Recommendation:

No action required; for information and discussion only.

Prepared by:

William Smith
The Balmoral Group, Manager
On: September 19, 2018

Attachment:

Not included in Board Packet; Draft Policy and Procedures for Internal Controls to be distributed for review and discussion at Board meeting.

AGENDA ITEM 13
Board Action Required

**Gulf Consortium Board of Directors
September 27, 2018**

**Agenda Item 13
Approval and Adoption of the Gulf Consortium
2019 Meeting Calendar**

Statement of Issue:

This agenda item seeks approval and adoption of the Consortium 2019 meeting calendar.

Background:

Under the Interlocal Agreement creating the Gulf Consortium, the Chairman has the power to set the times and locations of the Consortium. However, at the Executive Committee meeting of September 9, 2016, the Chairman recommended that the calendar be discussed by the Board. The Board has since provided direction as to align Gulf Consortium meetings with Florida Association of Counties events, typically between Wednesdays and Fridays, and to hold additional stand-alone meetings as needed in facilities that could accommodate video and telephonic access.

Analysis:

Based on the meeting history since 2016, staff proposes the following dates and locations for the 2019 Board meeting calendar:

<u>Date</u>	<u>Day of Week</u>	<u>Location</u>
January 31, 2019	Thursday <i>(Not affiliated with an FAC event)</i>	Leon County
March 28, 2019	Thursday <i>(following FAC Legislative Day)</i>	Leon County
June 13, 2019	Wednesday <i>(FAC Annual Conference)</i>	Orange County
September 25, 2019	Wednesday <i>(FAC Policy Conference)</i>	Bay County
November 20, 2019)	Wednesday <i>(FAC Legislative Conference)</i>	Broward County

Five dates are proposed for 2019, including a date in January intended to secure any residual Board approvals necessary to support a complete Organizational Self-Assessment (OSA) for Council. The updated OSA is to be provided annually. It is the vehicle for reducing the Consortium's level of risk and thereby permit the Consortium to receive project implementation grants with few to no conditions. The additional 2019 meeting date will also provide the Board timely opportunity to take any actions relating to anticipated contracting for needed services under the Stand-

Up SEP. Remaining dates in 2019 are expected to be largely dedicated to approvals of county sub-award agreements, SEP project grant applications and related contracts for services for SEP project implementation.

Fiscal Impact:

Following approval of the State Expenditure Plan, SEP planning grant funds are no longer unavailable to support Board meetings and meeting expenses for 2019 need to be addressed by the Consortium general operating fund. Board meeting expenses were budgeted at \$14,050 in the FY 2017 budget.

Options:

- (1) Approval of the 2019 meeting calendar and meeting locations; or
- (2) Board direction.

Recommendation:

Motion to approve and adopt the 2019 meeting calendar and locations, with Wednesday dates for June, September and November 2019 to be coordinated with the FAC meeting schedule.

Attachments:

None.

Prepared by:

Craig Diamond
The Balmoral Group, General Manager
September 19, 2018

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.