

RESOLUTION NO. R-2024-023

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A CHANGE ORDER TO THE CONTRACT/BLANKET PURCHASE AGREEMENT WITH MARCUM LLP FOR EXTERNAL AUDITING SERVICES TO INCREASE THE CONTRACT AMOUNT FROM \$709,120.00 TO \$1,322,700.00 AND RENEW THE CONTRACT TERM IN ACCORDANCE WITH SECTION 38.48 OF THE PROCUREMENT CODE (CHANGE ORDERS) AND SECTION 38.49(C)(1) OF THE PROCUREMENT CODE. (RENEWALS)

WHEREAS, on July 7, 2021, the City Commission passed and adopted Resolution No. R-2021-172, approving a Blanket Purchase Agreement (PA600416) in the amount up to \$709,120.00 with Marcum LLP for external auditing services for the period from November 1, 2021 to October 31, 2024, with two additional two-year renewals; and

WHEREAS, the Department of Financial Services ("Department") desires a change order to the Blanket Purchase Agreement to increase the contract amount by \$613,580.00, from \$709,120.00 to \$1,322,700.00; and

WHEREAS, the Department desires to issue the first of two two-year renewals that will extend the contract term from November 1, 2024 to October 31, 2026; and

WHEREAS, the changes are desired to account for the renewal term's fees for the independent annual audits and the fees associated with the City's interlocal agreements (surtax grant agreements) with Broward County; and

WHEREAS, these interlocal agreements require a separate and additional external audit and independent auditors' report for each year the agreements are active; and

WHEREAS, \$518,580.00 of the \$613,580.00 in requested amount increase is for the audits for fiscal years 2024 and 2025, with the remaining \$95,000.00 being estimated costs for the audits of the surtax agreements for fiscal years 2022 through 2025; and

WHEREAS, Section 38.48 of the Procurement Code states that all change orders not authorized for City Manager approval must be formally approved by the City Commission, which includes this desired change order; and

WHEREAS, Section 38.49(C)(1) of the Procurement Code states that when a contract entered into by the City pursuant to City Commission approval provides for one or more renewals by affirmative action of the City and the estimated annual cost of a

renewal exceeds \$250,000, only the City Commission is authorized to approve such renewals, which includes this desired renewal; and

WHEREAS, the Director of the Department of Financial Services recommends that the City Commission approve and authorize a change order and renewal to the Blanket Purchase Agreement with Marcum LLP to increase the contract amount from \$709,120.00 to \$1,322,700.00 and exercise the first additional two-year term extending the term from November 1, 2024 to October 31, 2026; and

WHEREAS, funding for the change order to the Blanket Purchase Agreement is available account number(s) 001.120201.51300.532400.000000.000.000, 442.400101.53600.532400.000000.000.000, 445.520101.53400.532400.000000.000.000, 446.150101.54500.532400.000000.000.000, 557.510101.51900.532400.000000.000.000, and 558.112004.51900.532400.000000.000.000, and will be budgeted in subsequent fiscal years' operating budget subject to approval and adoption by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA.

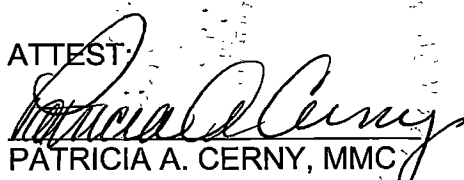
Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

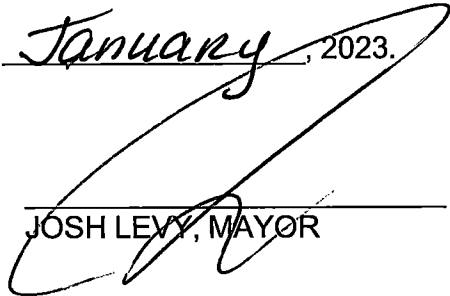
Section 2: That it approves and authorizes the execution or issuance, by the appropriate City officials, of a change order to the Blanket Purchase Agreement with Marcum LLP, together with such non-material changes as may subsequently be agreed to by the City Manager and approved as to form by the City Attorney.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 17 day of January, 2023.

ATTEST:


PATRICIA A. CERNY, MMC
CITY CLERK


JOSH LEVY, MAYOR

APPROVED AS TO FORM:


DOUGLAS R. GONZALES
CITY ATTORNEY

DHG



Contract Purchase Agreement PA600416

Supplier Details:

Company Marcum, LLP
Contact Michael Futterman
Address One S.E. Third Avenue
Suite 1100
Miami, FL 33131

Submit your response to:

Company City of Hollywood, FL - Finance General Accounting
Contact Keller, David
Address 2600 Hollywood Blvd
Hollywood FL 33020
Phone 1-954-921-3234
Fax
E-mail dkeller@hollywoodfl.org

Dear Vendor:

This is to inform you that the City of Hollywood, Florida is entering an Agreement with your Company based on the following:
RFP RFP 4667 21 SS

DRAFT



Contract Purchase Agreement PA600416

Agreement	PA600416
Creation Date	08-NOV-2022
Change Order	3
Change Order Date	08-NOV-2022
Revision	2
Agreement Amount	1,322,700.00 USD

VENDORS MUST INCLUDE THE CITY'S PURCHASE ORDER NUMBER ON ALL INVOICES. PLEASE SUBMIT ALL INVOICES TO ACCOUNTSPAYABLE@HOLLYWOODFL.ORG.

OR
Mail To **City of Hollywood**
Accounts Payable, Room 119
P.O. Box 229045
Hollywood, FL 33022-9045

Supplier **Marcum, LLP**
One S.E. Third Avenue
Suite 1100
Miami, FL 33131

Notes Purchase Agreement comprises of: RFP 4667 21 SS, Marcum Proposal, Marcum Fees, and Professional Services Agreement

Customer Account Number	Supplier Number	Payment Terms	Freight Terms	FOB
	36562	Net 30	None	Destination
	Start Date	End Date	Shipping Method	
Initial Award Term	11/01/2021	10/31/2024		
First Renewal Period	11/01/2024	10/31/2026		
Second Renewal Period	11/01/2026	10/31/2028		
Third Renewal Period				
Fourth Renewal Period				

Attachments			
Type	File Name or URL	Title	Description

TERMS AND CONDITIONS

The following Terms and Conditions are applicable to this order entered into by and between the City of Hollywood (referred to as Buyer) and Vendor (referred to as Seller).

MODIFICATIONS

This purchase order form and any other document pertaining to this transaction which has been acknowledged in writing by the Director is a complete and exclusive statement of this order. Accordingly no modification or amendment shall be binding upon the Buyer unless signed by the Director. The City Attorney has approved these standard terms and conditions as to form and legality. Accordingly no modification of these terms and conditions shall be binding upon buyer unless they are endorsed and approved by the City Attorney. In the event of a conflict between these terms and conditions and any other document pertaining to the transaction covered by this order, these terms and conditions shall prevail.

ASSIGNMENT

Any assignment of this order or the performance of work hereunder, in whole or in part, is prohibited.

EXCUSABLE DELAYS

The Buyer may grant additional time for any delay or failure to perform hereunder if the delay will not adversely impact the best interests of the Buyer and is due to causes beyond the control of Seller. Such grant must be in writing and made part of the order.

DEFAULT

In the event of default by the Seller, Buyer may procure the articles or services covered by this order from other sources and hold to Seller responsible for any excess costs occasioned thereby, in addition to all other available remedies at law or equity.

TERMINATION

Buyer, acting through its City Manager or his/her designee, reserves the right to terminate this order in whole or in part for default (a) if Seller fails to perform in accordance with any of the requirements of this order or (b) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller under any State or Federal Law relating to bankruptcy, reorganization, receivership or assignment for the benefit of creditors. Any such termination will be without liability to Buyer except for completed items delivered and accepted by the Buyer. Seller, will be liable for excess costs of procurement.

F.O.B.

In those cases where F.O.B. point is not Destination, Seller is required to prepay freight charges and list separately on invoice. Collect shipments will not be accepted.

TERMS

By accepting this order, the Seller agrees that payment terms shall be Net 30 unless otherwise stated.

INVOICING

Seller must render original invoice to the City of Hollywood, Department of Financial Services, P.O. Box 229045, Hollywood, Florida 33022-9045.

TAX

The City of Hollywood is exempt from Federal and State taxes for tangible personal property. Sellers doing business with the City, which are not otherwise exempt, shall not be exempt from paying sales tax to their suppliers for materials to fulfill contractual obligations with the City, nor shall any Seller be authorized to use the City Tax Exemption Number in securing such materials.

RESPONSIBILITY

Responsibility will not be accepted for any goods delivered or services performed unless covered by a duly signed and authorized City of Hollywood order, issued by the Procurement Services Division.

ACCEPTANCE

Seller's acceptance of this order will be presumed unless Seller acknowledges exception, in writing, to Buyer within ten (10) calendar days after date of order.

DELIVERIES

Deliveries are to be made during the hours of 7:30 a.m. to 4:00 p.m. Monday through Friday, excluding holidays, unless otherwise stipulated. Seller shall notify the Buyer of deliveries that require special handling and/or assistance for off-loading. Failure to notify the Buyer concerning this type of delivery will result in the billing to Seller of any add-on redelivery, storage or handling charges.

INSPECTION

All Commodities delivered on this order are subject to inspection upon receipt by a representative of the Buyer. All rejected

commodities shall remain the property of the Seller and will be returned at the Seller's expense.

QUANTITIES

Quantities specified in the order cannot be changed without Buyer approval. Goods shipped in excess of quantity designated may be returned at the Seller's expense.

PAYMENT CHANGES

Payments will be made only to the company and address as set forth on order unless the Seller has requested a change thereto on official company letterhead, signed by an authorized officer of the company.

ANTI-DISCRIMINATION

Sellers doing business with the Buyer are prohibited from discriminating against any employee, applicant or client because of race, creed, color, national origin, sex or age with regard to but not limited to the following: employment practices, rates of pay or other compensations, methods and training selection.

UNIFORM COMMERCIAL CODE

Florida law, including without limitation the Uniform Commercial Code (Chapter 670 - 680, Florida Statutes), shall apply to and supplement the terms and conditions of this order. Venue shall lie in a court of competent jurisdiction in Broward County, Florida.

LEGAL RESPONSIBILITY

By accepting this order, Seller understands and agrees that the items covered herein, or services to be rendered, shall be manufactured, sold or performed in compliance with applicable Federal, State, County and Local laws, ordinances, rules and regulations. Lack of knowledge by the Seller shall in no way be a cause for relief from responsibility.

LIABILITY - COPYRIGHT/PATENT/TRADEMARK

Seller shall save and hold harmless Buyer, its officers, employees and agents from liability for infringement of any United States patent, trademark or copyright for or on account of the use of any product sold to Buyer or used in the performance of this order.

INDEMNIFICATION

Seller shall indemnify, hold harmless and defend Buyer, its officers, employees and agents from and against any and all claims, damages, liability, judgments or causes of action, including costs, expenses and attorney fees, incurred as a result of any error, omission or negligent act by the Seller, its officers, employees, agents, subcontractors or assignees arising out of this order.

OCCUPATIONAL SAFETY AND HEALTH

Seller must comply with requirements under Chapter 442, Florida Statutes, that any toxic substance delivered as a part of this order must be accompanied by a Materials Safety Data Sheet (M.S.D.S.).

REPRESENTATIVE

All parties to this order agree that the representatives named herein are, in fact, bonafide and possess full and complete authority to bind said parties.

PUBLICITY

No endorsement by the City of the product and/or service will be used by Seller in any way, manner or form in product literature or advertising.

INSURANCE

The Seller of services must have secured and maintained the required amount of \$1,000,000 general and \$500,000 automobile liability limits and must list the City as an additional insured of this coverage. The Seller must have worker's compensation coverage as required by law. Any exception to the above stated limits or other requirements must be endorsed and approved by the City of Hollywood Risk Manager.

WARRANTY

For purposes of this order, Seller warrants: (a) the goods shall strictly conform to all specifications, drawings, instructions, advertisements, statements on containers or labels, descriptions and samples; (b) the goods shall be free from defects in workmanship and material and shall be new and of the highest quality; (c) Buyer shall receive title to the goods that is free and clear of any liens, encumbrances and any actual or claimed patent, copyright or trademark infringement; (d) the goods shall be merchantable, safe and fit for the Buyer's intended purposes, which purposes have been communicated to Seller; (e) the goods shall be adequately contained, packaged, marked and labeled; and (f) the goods shall be manufactured in compliance with all applicable federal, state and local laws, regulations or orders, and agency or association standards or other standards applicable to the manufacture, labeling, transporting, licensing, approval or certification, including by way of illustration and not by way of limitation, the Occupational Health and Safety Act, the Fair Labor Standards Act, and any law or order pertaining to discrimination.

Contract Purchase Agreement PA600416

In the event that services are provided in connection with the supply of goods, Seller expressly warrants that the services will be performed: (a) with due professional care; (b) in a workmanlike, professional, timely and diligent manner; (c) in accordance with all applicable industry standards and industry best practices; (d) by qualified workers experienced in performing the work specified; (e) in strict conformance with applicable specifications and industry accepted performance criteria; and (f) in strict conformance with this order, including but limited to any statement(s) of work issued, or quote(s) received, by Buyer.

The warranty period shall be 12 months from the date of first use of the goods by Buyer or 12 months from the date of acceptance by Buyer, whichever occurs later, unless otherwise mutually agreed to by the Buyer and Seller.

Notwithstanding the foregoing, Seller agrees to waive the expiration of the warranty period in the event there are failures or defects discovered after the warranty period of a material nature or in a significant portion of the goods, or a defect is discovered which, in Buyer's opinion, constitutes a threat of damage to property or to the health and safety of any person.

Signature: Steve Stewart
Director, Procurement and Contract Compliance

DRAFT

Summary of Audit Fees, Change Order, and Renewals

Audit Fees (Non-CRA)	FY 2024	FY 2025	FY 2026
Audit Fee	239,750.00	255,500.00	263,350.00
Surtax Fee	45,000.00 [^]	25,000.00	25,000.00
Total Fee	284,750.00	280,500.00	288,350.00

REVISED FEE ALLOCATION	Operating Expenses	Ratio	FY 2024	FY 2025	FY 2026
001.120201.51300.532400.000000.000.000	222,796,178.00	58%	164,189.00	161,738.00	166,264.00
163.638507.55200.532400.000000.000.000	-	0%	-	-	-
166.668605.55200.532400.000000.000.000	-	0%	-	-	-
442.400101.53600.532400.000000.000.000	65,345,269.00	17%	48,156.00	47,437.00	48,765.00
445.520101.53400.532400.000000.000.000	15,554,656.00	4%	11,463.00	11,292.00	11,608.00
446.150101.54500.532400.000000.000.000	7,902,101.00	2%	5,823.00	5,737.00	5,897.00
443.510101.53800.532400.000000.000.000	-	0%	-	-	-
444.310101.57200.532400.000000.000.000	-	0%	-	-	-
460.111003.57300.532400.000000.000.000	-	0%	-	-	-
557.510101.51900.532400.000000.000.000	23,302,389.00	6%	17,173.00	16,916.00	17,390.00
558.112004.51900.532400.000000.000.000	51,490,920.00	13%	37,946.00	37,380.00	38,426.00
	386,391,513.00		284,750.00	280,500.00	288,350.00

* Not allocated due to materiality and CRA is not audited by Marcum LLP.

[^] Two years to be audited.

Account	Account Name	Current 2024 Budget	Revised 2024 Fee	2024 Change
001.120201.51300.532400.000000.000.000	Audit Services	125,000.00	164,189.00	39,189.00
442.400101.53600.532400.000000.000.000	Audit Services	100,000.00	48,156.00	(51,844.00)
442.400104.53600.532400.000000.000.000	Audit Services	10,000.00	-	(10,000.00)
442.400301.53600.532400.000000.000.000	Audit Services	75,000.00	-	(75,000.00)
445.520101.53400.532400.000000.000.000	Audit Services	30,000.00	11,463.00	(18,537.00)
446.150101.54500.532400.000000.000.000	Audit Services	5,000.00	5,823.00	823.00
557.510101.51900.532400.000000.000.000	Audit Services	9,500.00	17,173.00	7,673.00
558.112004.51900.532400.000000.000.000	Audit Services	28,500.00	37,946.00	9,446.00
		383,000.00	284,750.00	(98,250.00)

Product*	Amount	
FY 21 ACFR	204,750.00	
FY 22 ACFR	229,750.00	12.21%
FY 23 ACFR	239,750.00	4.35%
PA600416	674,250.00	Reso. R-2021-172

Changes to PA600416

Renewal 2024	255,500.00	6.57%
Renewal 2025	263,350.00	3.07%
Total Renewals	518,850.00	Renewal
Surtax 2022	20,000.00	Per Estimate
Surtax 2023	25,000.00	Estimated
Surtax 2024	25,000.00	Estimated
Surtax 2025	25,000.00	Estimated
Change Order	95,000.00	Change Order
Total Changes	613,850.00	
Total Adjusted BPA	1,288,100.00	

*Does not include CRA

Renewal Fees for the FY 2024 and FY 2025 Audits from Marcum LLP

FY2024				
	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total Amount
Partners	160	485	350	\$ 56,000
Managers	580	350	250	145,000
Supervisory Staff	350	225	150	52,500
Other (Specify)	800	185	125	100,000
Courtesy Discount				(98,000)
		Total FY2023 Audit Fee		\$ 255,500

FY2025				
	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total Amount
Partners	160	500	360	\$ 57,600
Managers	580	380	250	145,000
Supervisory Staff	350	250	170	59,500
Other (Specify)	800	200	125	100,000
Courtesy Discount				(98,750)
		Total FY2023 Audit Fee		\$ 263,350

APPROVED
By Moises D. Ariza
at 10:04 am, Sep 27, 2023

September 25, 2023

City of Hollywood, Florida
Attn: David E. Keller, Director, Financial Services
Department of Financial Services
P.O. Box 229045
Hollywood, FL 33022-9045
Office: 954-921-3231
E-mail: DKELLER@hollywoodfl.org

Re: Addendum to Contract for Consulting/Professional Services Between the city of Hollywood, Florida and Marcum LLP for Financial Auditing Services

This letter serves as an addendum (all previous terms of our engagement letter dated October 21, 2021 are still in effect) of Marcum LLP's ("Marcum," the "Firm," "we," "us" or "our") understanding of the services we are to provide to the City of Hollywood, Florida (the "Organization", "City", "you", or "your") for the year ended September 30, 2022.

Objectives

The purpose of this addendum is to expand the services provided by Marcum to cover the audit requirements stipulated in the Interlocal Agreement Between Broward County and the City of Hollywood for Surtax-Funded Municipal Transportation Project; Milling, Paving, Resurfacing, and Sidewalk Repairs in District 3 and 4 Within the City Hollywood (BC-HLYWD-FY2020-00001) (the "Interlocal Agreement").

Professional Standards – Audit Scope

We will audit the Schedule of Contract Expenses (the "Schedule") of the City of Hollywood, Florida for the year ended September 30, 2022.

The objectives of our audit are to obtain reasonable assurance as to whether the Schedule is free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your Schedule is fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the Schedule.

Auditors' Responsibilities

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. 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 Schedule. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes 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. 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.

An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards. We have identified the following significant risk of material misstatement as part of our audit planning; Management override of controls.

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

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

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

Non-Attest Services

We will perform the services in accordance with applicable professional standards. 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. If we are to perform a non-attest service, you agree to assume all management responsibilities for the non-attest service; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Schedule

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the Schedule in conformity with U.S GAAP. You are also responsible for making drafts of the Schedule, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the Schedule, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the Schedule and related matters.

Your responsibilities include adjusting the Schedule 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 Schedule.

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 entity 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 Schedule. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the City complies with applicable laws and regulations.

Audit Reporting

We will issue a written report upon completion of our audit of the City of Hollywood's Schedule. Our report will be addressed to Honorable Mayor, City Commission and City Manager of the City of Hollywood, Florida. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is 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 an opinion, we may decline to express an opinion or withdraw from this engagement.

Professional Standards - Examination

We will examine the City's compliance with the provisions stipulated in the Interlocal Agreement for the fiscal year ended September 30, 2022. The objectives of our examination are to obtain reasonable assurance about whether the City complied with all material compliance requirements and provisions of the Interlocal Agreement; and to express an opinion as to whether the City is in compliance, in all material respects, with the Interlocal Agreement.

Our examination will be conducted in accordance with attestation standards established by the AICPA. Accordingly, it will include examining, on a test basis, your records and other procedures to obtain evidence necessary to enable us to express our opinion. We will issue a written report upon completion of our examination. Our report will be addressed to the Honorable Mayor, City Commission and City Manager of the City of Hollywood, Florida. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from this engagement.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

We will plan and perform the examination to obtain reasonable assurance about whether the City complied with the Interlocal Agreement. Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, or known and suspected fraud or noncompliance with laws or regulations, or internal control deficiencies, that may exist. However, we will inform you of any known and suspected fraud and noncompliance with laws or regulations, internal control deficiencies identified during the engagement, and uncorrected misstatements that come to our attention unless clearly trivial.

We understand that you will provide us with the information required for our examination and that you are responsible for the accuracy and completeness of that information. We may advise you about appropriate criteria, but the responsibility for the subject matter remains with you. You, as management, accepts responsibility for the City's compliance with specified requirements stipulated in the Interlocal Agreement and the City's internal control over compliance. You, as management, understand your responsibility to evaluate the City's compliance with specified requirements.

You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; (2) additional information that we may request for the purpose of the examination; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence.

At the conclusion of the engagement, you agree to provide us with certain written representations in the form of a representation letter.

Fees

The fees for the professional services provided in this addendum are \$20,000. Our fee is based on our discounted rates for the fiscal year 2023 as presented in our Sealed Dollar Cost Proposal under RFP No. 4667-21-SS as follows:

Level	Rate	Hours	Amount
Partners	\$310	14	\$4,340
Director	\$310	12	3,720
Managers	\$210	30	6,300
Seniors & Staff	\$110	64	7,040
Courtesy Discount			<u>(1,400)</u>
			<u><u>\$20,000</u></u>

We appreciate the opportunity to be of continued service to the City and believe this letter accurately summarizes the additional terms of our engagement. If you have any questions, please let us know.

Very truly yours,

Marcum LLP

Moises D. Ariza, CPA, CGMA
Partner

MDA/th
cc: Alex Schmidt, Division Director, General Accounting

City of Hollywood, Florida
September 25, 2023
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ACCEPTED

This letter correctly sets forth the agreement of City of Hollywood, Florida.

Authorized Signature: _____

Title: _____

Date Signed: _____



Contract Purchase Agreement PA600416

Supplier Details:

Company Marcum, LLP
Contact Michael Futterman
Address One S.E. Third Avenue
Suite 1100
Miami, FL 33131

Submit your response to:

Company City of Hollywood, FL - Finance General Accounting
Contact Keller, David
Address 2600 Hollywood Blvd
Hollywood FL 33020
Phone 1-954-921-3234
Fax
E-mail dkeller@hollywoodfl.org

Dear Vendor:

This is to inform you that the City of Hollywood, Florida is entering an Agreement with your Company based on the following:

RFP RFP 4667 21 SS



Contract Purchase Agreement PA600416

Agreement	PA600416
Creation Date	28-OCT-2021
Change Order	2
Change Order Date	28-OCT-2021
Revision	2
Agreement Amount	674,520.00 USD

VENDORS MUST INCLUDE THE CITY'S PURCHASE ORDER NUMBER ON ALL INVOICES. PLEASE SUBMIT ALL INVOICES TO ACCOUNTSPAYABLE@HOLLYWOODFL.ORG.

OR
Mail To

City of Hollywood
Accounts Payable, Room 119
P.O. Box 229045
Hollywood, FL 33022-9045

Supplier **Marcum, LLP**
One S.E. Third Avenue
Suite 1100
Miami, FL 33131

Notes Purchase Agreement comprises of: RFP 4667 21 SS, Marcum Proposal, Marcum Fees, and Professional Services Agreement

Customer Account Number	Supplier Number	Payment Terms	Freight Terms	FOB
	36562	Net 30	None	Destination
	Start Date	End Date	Shipping Method	
	11/01/2021	10/31/2024		
Initial Award Term	11/01/2021	10/31/2024		
First Renewal Period	11/01/2024	10/31/2026		
Second Renewal Period	11/01/2026	10/31/2028		
Third Renewal Period				
Fourth Renewal Period				

Attachments

Type	File Name or URL	Title	Description
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TERMS AND CONDITIONS

The following Terms and Conditions are applicable to this order entered into by and between the City of Hollywood (referred to as Buyer) and Vendor (referred to as Seller).

MODIFICATIONS

This purchase order form and any other document pertaining to this transaction which has been acknowledged in writing by the Director is a complete and exclusive statement of this order. Accordingly no modification or amendment shall be binding upon the Buyer unless signed by the Director. The City Attorney has approved these standard terms and conditions as to form and legality. Accordingly no modification of these terms and conditions shall be binding upon buyer unless they are endorsed and approved by the City Attorney. In the event of a conflict between these terms and conditions and any other document pertaining to the transaction covered by this order, these terms and conditions shall prevail.

ASSIGNMENT

Any assignment of this order or the performance of work hereunder, in whole or in part, is prohibited.

EXCUSABLE DELAYS

The Buyer may grant additional time for any delay or failure to perform hereunder if the delay will not adversely impact the best interests of the Buyer and is due to causes beyond the control of to Seller. Such grant must be in writing and made part of the order.

DEFAULT

In the event of default by the Seller, Buyer may procure the articles or services covered by this order from other sources and hold to Seller responsible for any excess costs occasioned thereby, in addition to all other available remedies at law or equity.

TERMINATION

Buyer, acting through its City Manager or his/her designee, reserves the right to terminate this order In whole or in part for default (a) if Seller fails to perform In accordance with any of the requirements of this order or (b) If Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller under any State or Federal Law relating to bankruptcy, reorganization, receivership or assignment for the benefit of creditors. Any such termination will be without liability to Buyer except for completed Items delivered and accepted by the Buyer. Seller, will be liable for excess costs of reprourement.

F.O.B.

In those cases where F O.B. point is not Destination, Seller is required to prepay freight charges and list separately on invoice. Collect shipments will not be accepted.

TERMS

By accepting this order, the Seller agrees that payment terms shall be Net 30 unless otherwise stated.

INVOICING

Seller must render original invoice to the City of Hollywood, Department of Financial Services, P.O. Box 229045, Hollywood, Florida 33022-9045.

TAX

The City of Hollywood is exempt from Federal and State taxes for tangible personal property. Sellers doing business with the City, which are not otherwise exempt, shall not be exempt from paying sales tax to their suppliers for materials to fulfill contractual obligations with the City, nor shall any Seller be authorized to use the City Tax Exemption Number in securing such materials.

RESPONSIBILITY

Responsibility will not be accepted for any goods delivered or services performed unless covered by a duly signed and authorized City of Hollywood order, issued by the Procurement Services Division.

ACCEPTANCE

Seller's acceptance of this order will be presumed unless Seller acknowledges exception, in writing, to Buyer within ten (10) calendar days after date of order.

DELIVERIES

Deliveries are to be made during the hours of 7:30 a.m. to 4:00 p.m. Monday through Friday, excluding holidays, unless otherwise stipulated. Seller shall notify the Buyer of deliveries that require special handling and/or assistance for off-loading. Failure to notify the Buyer concerning this type of delivery will result in the billing to Seller of any add-on redelivery, storage or handling charges.

INSPECTION

All Commodities delivered on this order are subject to inspection upon receipt by a representative of the Buyer. All rejected



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commodities shall remain the property of the Seller and will be returned at the Seller's expense.

QUANTITIES

Quantities specified in the order cannot be changed without Buyer approval. Goods shipped in excess of quantity designated may be returned at the Seller's expense.

PAYMENT CHANGES

Payments will be made only to the company and address as set forth on order unless the Seller has requested a change thereto on official company letterhead, signed by an authorized officer of the company.

ANTI-DISCRIMINATION

Sellers doing business with the Buyer are prohibited from discriminating against any employee, applicant or client because of race, creed, color, national origin, sex or age with regard to but not limited to the following: employment practices, rates of pay or other compensations, methods and training selection.

UNIFORM COMMERCIAL CODE

Florida law, including without limitation the Uniform Commercial Code (Chapter 670 – 680, Florida Statutes), shall apply to and supplement the terms and conditions of this order. Venue shall lie in a court of competent jurisdiction in Broward County, Florida.

LEGAL RESPONSIBILITY

By accepting this order, Seller understands and agrees that the items covered herein, or services to be rendered, shall be manufactured, sold or performed in compliance with applicable Federal, State, County and Local laws, ordinances, rules and regulations. Lack of knowledge by the Seller shall in no way be a cause for relief from responsibility.

LIABILITY - COPYRIGHT/PATENT/TRADEMARK

Seller shall save and hold harmless Buyer, its officers, employees and agents from liability for infringement of any United States patent, trademark or copyright for or on account of the use of any product sold to Buyer or used in the performance of this order.

INDEMNIFICATION

Seller shall indemnify, hold harmless and defend Buyer, its officers, employees and agents from and against any and all claims, damages, liability, judgments or causes of action, including costs, expenses and attorney fees, incurred as a result of any error, omission or negligent act by the Seller, its officers, employees, agents, subcontractors or assignees arising out of this order.

OCCUPATIONAL SAFETY AND HEALTH

Seller must comply with requirements under Chapter 442, Florida Statutes, that any toxic substance delivered as a part of this order must be accompanied by a Materials Safety Data Sheet (M.S.D.S.).

REPRESENTATIVE

All parties to this order agree that the representatives named herein are, in fact, bonafide and possess full and complete authority to bind said parties.

PUBLICITY

No endorsement by the City of the product and/or service will be used by Seller in any way, manner or form in product literature or advertising.

INSURANCE

The Seller of services must have secured and maintained the required amount of \$1,000,000 general and \$500,000 automobile liability limits and must list the City as an additional insured of this coverage. The Seller must have worker's compensation coverage as required by law. Any exception to the above stated limits or other requirements must be endorsed and approved by the City of Hollywood Risk Manager.

WARRANTY

For purposes of this order, Seller warrants: (a) the goods shall strictly conform to all specifications, drawings, instructions, advertisements, statements on containers or labels, descriptions and samples; (b) the goods shall be free from defects in workmanship and material and shall be new and of the highest quality; (c) Buyer shall receive title to the goods that is free and clear of any liens, encumbrances and any actual or claimed patent, copyright or trademark infringement; (d) the goods shall be merchantable, safe and fit for the Buyer's intended purposes, which purposes have been communicated to Seller; (e) the goods shall be adequately contained, packaged, marked and labeled; and (f) the goods shall be manufactured in compliance with all applicable federal, state and local laws, regulations or orders, and agency or association standards or other standards applicable to the manufacture, labeling, transporting, licensing, approval or certification, including by way of illustration and not by way of limitation, the Occupational Health and Safety Act, the Fair Labor Standards Act, and any law or order pertaining to discrimination.



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In the event that services are provided in connection with the supply of goods, Seller expressly warrants that the services will be performed: (a) with due professional care; (b) in a workmanlike, professional, timely and diligent manner; (c) in accordance with all applicable industry standards and industry best practices; (d) by qualified workers experienced in performing the work specified; (e) in strict conformance with applicable specifications and industry accepted performance criteria; and (f) in strict conformance with this order, including but limited to any statement(s) of work issued, or quote(s) received, by Buyer.

The warranty period shall be 12 months from the date of first use of the goods by Buyer or 12 months from the date of acceptance by Buyer, whichever occurs later, unless otherwise mutually agreed to by the Buyer and Seller.

Notwithstanding the foregoing, Seller agrees to waive the expiration of the warranty period in the event there are failures or defects discovered after the warranty period of a material nature or in a significant portion of the goods, or a defect is discovered which, in Buyer's opinion, constitutes a threat of damage to property or to the health and safety of any person.

Signature: Steve Stewart
Assistant Director, Financial Services for Procurement

RESOLUTION NO. R-2021-172

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE AN AGREEMENT WITH MARCUM, LLP TO PROVIDE FINANCIAL AUDITING SERVICES IN AN ESTIMATED TOTAL AMOUNT OF \$674,250.00 OVER A THREE YEAR PERIOD.

WHEREAS, the Financial Services Department desires to contract with a certified public accounting firm to audit the City's financial statements for the fiscal years ending September 30, 2021 through 2023 ("Financial Auditing Services"); and

WHEREAS, Section 218.391, Florida Statutes, establishes auditor selection procedures for local governments, including guidelines for establishing an auditor selection committee for the purpose of assisting the governing body in selecting an auditor to conduct the annual financial audit required by statute; and

WHEREAS, on January 20, 2021, an auditor selection committee was established by Resolution No. R-2021-016 that consisted of all members of the City Commission (the "Auditor Selection Committee"); and

WHEREAS, on February 3, 2021, the Auditor Selection Committee approved the factors to be used in the evaluation and selection of an auditor in compliance with applicable statutes ("Evaluation Criteria"); and

WHEREAS, on March 11, 2021, Request for Proposals Number 4667-21-SS for Financial Auditing Services ("RFP") was electronically advertised via BidSync in accordance with the Section 38.43(A), Code of Ordinances, and closed on April 22, 2021; and

WHEREAS, the RFP resulted in proposals from the following five firms:

- Caballero, Fierman, Llerena & Garcia, LLP (Miramar, Florida)
- Keefe McCullough (Fort Lauderdale, Florida)
- Marcum, LLP (Fort Lauderdale, Florida)
- RSM US LLP (Fort Lauderdale, Florida)
- S. Davis & Associates, P.A. (Hollywood, Florida) ; and

WHEREAS, on May 19, 2021, the Auditor Selection Committee met to evaluate and rank the proposals; and

WHEREAS, evaluation of the proposals was based upon the approved Evaluation Criteria established in the RFP: Firm Qualifications and Experience; Partner Supervisory

and Staff Qualifications and Experience; Similar Engagements with Other Governmental Entities and Specific Audit Approach; and

WHEREAS, based on the Evaluation Criteria, the Auditor Selection Committee evaluated the five proposals and the scores were compiled to arrive at the following rankings, with the highest score being the highest ranked:

- | | | | |
|----|---|-----------|-------|
| 1. | S. Davis & Associates, P.A. | 93 Points | |
| 2. | Marcum, LLP | 91 Points | |
| 3. | Caballero, Fierman, Llerena & Garcia, LLP | 88 Points | |
| 4. | RSM US, LLP | 86 Points | |
| 5. | Keefe McCullough | 83 Points | ; and |

WHEREAS, the top three ranked firms were shortlisted and invited to provide oral presentations for further consideration by the Auditor Selection Committee in its evaluation and selection of a firm to provide Financial Auditing Services; and

WHEREAS, on June 9, 2021, oral presentations were provided by the three shortlisted firms, followed by a public Auditor Selection Committee meeting during which the Auditor Selection Committee ranked the shortlisted firms; and

WHEREAS, scores were compiled to arrive at the following rankings, with the lowest score being the highest ranked:

- | | | | |
|----|---|-----------|-------|
| 1. | Marcum, LLP | 9 Points | |
| 2. | S. Davis & Associates, P.A. | 12 Points | |
| 3. | Caballero, Fierman, Llerena & Garcia, LLP | 21 Points | ; and |

WHEREAS, the Auditor Selection Committee recommends that the City Commission authorize the negotiation and execution of an agreement with the highest ranked firm, Marcum, LLP, for a term of three years with an option to renew for two additional two-year periods to provide Financial Auditing Services; and

WHEREAS, award is subject to the City receiving all insurance documents and endorsements required by the City's Risk Manager, along with Hold Harmless and Indemnity provisions to the City; and

WHEREAS, funding for this agreement has been provided in the Fiscal Year 2022 auditing services accounts appropriated in several City funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That it approves the ranking of the firms as follows:

1. Marcum, LLP
2. S. Davis & Associates, P.A.
3. Caballero, Fierman, Llerena & Garcia, LLP

Section 3: That it authorizes the appropriate City officials to negotiate and execute an agreement, embodying the terms and conditions approved by the City Commission this date, with Marcum, LLP, in a form acceptable to the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 4: That if the appropriate City officials are unable to negotiate an agreement with the highest ranked firm, they are authorized to terminate negotiations with that firm, and proceed to negotiate and execute an agreement with the next highest ranked firms, in order, until an agreement is reached.

Section 5: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 7 day of July, 2021.



JOSH LEVY, MAYOR

ATTEST:



PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.



DOUGLAS R. GONZALES
CITY ATTORNEY