

**ISSUING DEPARTMENT INPUT DOCUMENT**  
**CONTRACT/PROJECT MEASURE ANALYSIS AND RECOMMENDATION**

New   
  OTR   
  Sole Source   
  Bid Waiver   
  Emergency   
 Previous Contract/Project No. RFP-00294D  
Contract  
 Re-Bid   
  Other –   
 LIVING WAGE APPLIES:  YES  NO

Requisition No./Project No.: BW-10337   
 TERM OF CONTRACT 1 YEAR(S) WITH    YEAR(S) OTR

Requisition /Project Title: External Independent Auditing Services for the Transit Segment

Description:  
 Provide External Independent Auditing Services for the annual examination of the County's financial statements. In accordance with Section 5.03(G) of the Miami-Dade County Home Rule Amendment and Charter, the Contractor shall provide services in the transit segment.

Issuing Department: SPD   
 Contact Person: Jonathan Desvergunat   
 Phone: 305-375-5312  
 Estimate Cost/Value: \$250,000   
 GENERAL    FEDERAL    OTHER  
 Funding Source:               

**ANALYSIS**

<b>Commodity Codes:</b>	<u>94620</u>	<u>  </u>	<u>  </u>	<u>  </u>	<u>  </u>
Contract/Project History of previous purchases three (3) years Check here <input type="checkbox"/> if this is a new contract/purchase with no previous history.					
	<b><u>EXISTING</u></b>	<b><u>2<sup>ND</sup> YEAR</u></b>	<b><u>3<sup>RD</sup> YEAR</u></b>		
<b>Contractor:</b>	<u>Crowe LLP</u>	<u>  </u>	<u>  </u>		
<b>Small Business Enterprise:</b>	<u>  </u>	<u>  </u>	<u>  </u>		
<b>Contract Value:</b>	<u>  </u>	<u>  </u>	<u>  </u>		
<b>Comments:</b>	<u>  </u>				
Continued on another page (s): <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					

**RECOMMENDATIONS**

	Set-Aside	Subcontractor Goal	Bid Preference	Selection Factor
<b>SBE</b>	<u>  </u>	<u>  </u>	<u>  </u>	<u>  </u>

Basis of Recommendation:  
  

Signed: Jonathan Desvergunat   
 Date sent to SBD: 5/24/2023

	Date returned to SPD:	
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Rev. 072518

**APPENDIX A – SCOPE OF SERVICES**

**1.1 Background**

Miami-Dade County (County) is contracting to provide External Independent Auditing Services for the annual examination of the County's financial statements. In accordance with Section 5.03(G) of the Miami-Dade County Home Rule Amendment and Charter, the Contractor shall provide Services in the Transit Segment as follows:

- **Transit Segment** – To include audit of Miami-Dade Transit Enterprise Fund. Detailed information regarding audit and report requirements for this Segment can be found in Section 2.4.5.

**2.1 Qualifications**

**2.1.1 Minimum Qualification Requirements:**

The following requirements shall be maintained for the duration of the Agreement, including any extensions or renewals thereof:

- A. The Contractor's Partners and Managers primarily responsible for the completion of the services outlined herein must have an active license in good standing to practice Public Accounting as a Certified Public Accountant (CPA) in the State of Florida.
- B. The Contractor shall have a current, valid license to practice public accounting in the State of Florida pursuant to Florida State Statutes, Chapter 473.3101.

**2.2 Annual Audit Requirements**

The Contractor shall:

- a. Provide dedicated key personnel (i.e., Audit Partners, Audit Managers, Senior Staff, Support Staff, etc.) for the performance of the resultant Contract(s), who will be primarily responsible for the timely completion of each Segment audit.
- b. Submit an annual audit work plan which shall identify the audit schedule; the key personnel assigned to the engagement including the responsibilities and number of hours allocated to the County's audit engagement; information on certification, licensure and CPE training; key tasks, audit quality control measures, and specific policies, procedures and techniques to be used for the timely completion of the audit 30 days prior to the commencement of each County audit. The work plan shall specifically address any substitution of the key personnel which were previously approved by the County to perform services for the County's audit engagement. The recommended substitute shall have the same or higher qualifications, years of government experience, etc. as the personnel they are substituting for. The County reserves the right to reject or approve substitution of key personnel. For the audit conducted in the first year of the Contract, the County will work with the Contractor to establish the timeline for that year's audit plan.
- c. Submit to the Transit Segment Finance Office a Management Letter which shall identify control and management weaknesses observed, assess their effect on financial management and propose steps to eliminate them, for which the County shall provide responses. In accordance with Ordinance 96-180, the Contractor shall then submit the Management Letter to the County Mayor, Clerk of Circuit and County Courts, and members of the Board of County Commissioners which shall include the County's responses to such findings identified by the Contractor. Please refer to the individual Segment requirements for the deadlines for Management Letters.
- d. Provide the County with analysis of current developments of Governmental Accounting Standards Board (GASB) and Financial Accounting Standards Board (FASB) pronouncements.
- e. Make available the Contractor's work papers to any Federal or State Agency upon request and in accordance with Federal and State Law and Regulations (without additional charge to the County).
- f. Supply all necessary equipment, office supplies, computers, printers and software to conduct the onsite audit Services requested herein including any broadband access equipment (e.g., "air card") that will

## External Independent Auditing Services for the Transit Segment

allow connection to internet for access to Contractor's work e-mail and Virtual Private Network without reliance on, or interference with, County's own network.

- g. Within five (5) days of completion of the final audit, deliver the final audit reports in bound, hardcopy format to the County Mayor, Clerk of Circuit and County Courts, and members of the Board of County Commissioners in accordance with Ordinance 96-180.

### **2.3 Performance Requirements**

The Contractor, in performing the Services requested herein, shall adhere to the applicable professional standards and relevant Federal, State and County statutes in effect at the time of the audit, including but not limited to:

- 1) U.S. Generally Accepted Government Auditing Standards (GAGAS) applicable to governmental units, as promulgated by the Government Auditing Standards issued by the Comptroller of the United States.
- 2) Governmental Accounting and Financial Standards promulgated by the Governmental Accounting Standards Board.
- 3) Federal and State statutes, reporting requirements under the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 (the Single Audit Act) as well as the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the Uniform Administrative Rules, Cost Principles and Audit Requirements for Federal Awards (2 Code of Federal Regulations Part 200)
- 4) Accounting Standards promulgated by the Financial Accounting Standards Board.
- 5) Generally Accepted Auditing Standards (GAAS) promulgated by the American Institute of Certified Public Accountants Auditing Standards Board.
- 6) AU-C section 600, Special Considerations—Audits of Group Financial Statements, as per GAAS.
- 7) Rules of the Auditor General for Local Governmental Entity Audits (Chapter 10.550, Florida Statutes) which prescribe requirements for Financial Audits and Florida Single Audit Act Audits

### **2.4 Services To Be Provided**

#### **2.4.1 Financial Statements**

The examinations conducted by the Contractor will be financial and compliance audits in accordance with Florida Statutes 218.39 and 11.45, Chapter 10.550 Rules of the Auditor General, and U.S. Office of Management and Budget (OMB) in order to express opinions on the financial statements of the County Segments identified in Section 2.1. The examinations should be to the extent necessary for the Contractor to express opinions on the fairness with which the financial statements present the financial position, results of operations, and changes in financial position in conformity with U.S. Generally Accepted Accounting Principles (GAAP), the requirements of the Federal Single Audit Act of 1996, as amended, and the Florida Single Audit Act.

The Contractor shall be familiar with the compliance requirements of any and all Federal, State, and County rules and regulations that may pertain to the Work required including, but not limited to, the following:

- 1) Florida Statutes Section 218.39 and 11.45 and Chapter 10.550 Rules of the Auditor General
- 2) AICPA Audit Guide for Government Auditing Standards and Circular A-133 Audits and the Audit and Accounting Guide for State and Local Governments.
- 3) Comptroller General of the United States Government Auditing Standards
- 4) 2 Code of Federal Regulations Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 5) OMB Compliance Supplement
- 6) Florida Single Audit Act
- 7) Federal Grant Contract Requirements
- 8) State Grant Contract Requirements

## External Independent Auditing Services for the Transit Segment

The statements to be audited will be prepared by the County's Finance Department and/or the Segment's Finance Unit. The Contractor shall submit any proposed adjusting journal entries to the County's Finance Department and/or Transit Segment finance personnel for approval in a timely manner.

The County understands and agrees that the underlying books and records of account must be properly closed as required by Florida Statutes and the Contractor must be allowed reasonable time to meet completion deadlines. Please refer to the individual audit Segments for the County's set deadlines.

### **2.4.2 Review of Internal Control**

The Contractor shall conduct an evaluation of the system of internal control to assess the extent it can be relied upon to ensure accurate information, compliance with laws and regulations, and to provide for efficient and effective operations. The study of internal control should include:

- 1) Review of processes, which consist of obtaining an understanding of the organization and its prescribed procedures to serve as the basis for tests of compliance and evaluation of internal controls.
- 2) Tests of controls, which are made to provide reasonable assurance that accounting control procedures are being applied as prescribed.

### **2.4.3 Data Processing Review**

The Contractor shall conduct a review to compare the calculating operations of the computerized systems with the desired results by tests of transactions, including a review of controls designed to assure protection of files and prevention of processing errors and a review of the data processing reports.

### **2.4.4 Additional Services**

If Services are required which are related to, but not included in the Scope of Services for independent external auditing services, the County may request the Contractor to provide additional Services which may include, but are not limited to:

- 1) The preparation of special reports for financing purposes as determined by the County's Finance Director, litigation support as determined by the County Attorney, and any other special audits as deemed necessary by the County's Finance Director.
- 2) Any other additional Work, such as special internal control reviews, efficiency reviews, benchmarking studies, rate matters or specialized research, or training.

All additional Services must be pre-approved by the County's Finance Director in writing.

### **2.4.5 Transit Segment Audit**

The Contractor shall perform an annual audit of the Miami Dade Transit financial position and results of operations for the preparation and issuance of the Miami Dade Transit Financial Statements.

#### **A. Annual Audit Requirements**

The Contractor shall:

- a. Complete all audit field work by December 31 each year and submit an Independent Auditor's Report and the Financial Statements and Required Supplementary Information to the Transit Finance Office no later than January 31 each year. This is a critical Deliverable that is required for completion of the County's CAFR.
- b. Provide an annual financial and compliance audit (Single Audit) of all Federal and State financial assistance programs and loans due 30 days subsequent to the Independent Auditor's Report but no later than June 30<sup>th</sup> in accordance with OMB Uniform Guidance (2 CFR 200) or any other applicable audit requirements.

## External Independent Auditing Services for the Transit Segment

- c. Submit an annual Transit Segment Management Letter within 30 days after delivery of auditor's findings in accordance with the Auditor General Rules 10.550, pursuant to Florida Statutes Chapter 218.39 to make known certain recommendations of the Contractor which if implemented would, in the Contractor's opinion, increase efficiency, improve internal controls, improve management, etc.
- d. Perform subsequent events procedures as required by AU-C 600.40 and respond in a timely manner to the Contractor completing the General Segment audit in accordance with AU-C 600-41-.42. The Transit Segment financial statements will be consolidated into the County's CAFR.

### **B. Other Transit Segment Reports**

The Contractor for the Transit Segment shall provide annual reports to include:

- a. Independent Auditor's Report on applying Agreed Upon Procedures as specified by the Federal Transit Administration (FTA) in the declarations section of the most current National Transit Database (NTD) Reporting Manual. This is a certification of the data reported for Federal Funding Allocation and describes discrepancies for any reported data that does not conform to the NTD requirements.
- b. Agreed Upon Procedures Report on compliance with certain limitations of the State of Florida Public Transit Block Grant funds received by Miami-Dade Transit.