

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO.1 TO CONTRACT NO. 19-092-01, BETWEEN THE CITY AND RSM US LLP, PURSUANT TO REQUEST FOR PROPOSAL NO. (RFP) 2019-092-JC FOR AUDITING SERVICES, AUTHORIZING THE ADMINISTRATION TO RENEW THE CONTRACT ADDING ADDITIONAL AUDITS AS REQUIRED BY FEDERAL OR STATE REGULATORY AGENCIES, BOND COVENANTS, GRANT AGREEMENTS, PERFORMANCE MANAGEMENT AGREEMENT AND/OR CONTRACTS AND TO NEGOTIATE A RATE INCREASE NOT TO EXCEED 10% FOR THE AUDITS FOR FISCAL YEAR 2024; DELEGATING TO THE CITY MANAGER THE AUTHORITY TO NEGOTIATE A RATE INCREASE NOT EXCEEDING THE CPI OF SAID YEAR FOR EACH SUBSEQUENT AUDIT REMAINING ON THE CONTRACT FOR FISCAL YEARS 2025 AND 2026 AND FURTHER AUTHORIZING THE CITY MANAGERS AND CITY CLERK TO EXECUTE THE AMENDMENT NO. 1.

WHEREAS, the City of Miami Beach (the City) is required to have an annual audit performed on the City's Annual Comprehensive Financial Report (ACFR) in accordance with Florida Statutes 218.39, and other audits are required to be conducted in accordance-with the U.S. Office of Management and Budget (OMB) Uniform Guidance 2 CFR 200 (Single Audit), Bonded Debt Covenants, Performance Management and/or Grant Agreements. Each audit must be conducted by an independent audit firm; and

WHEREAS, in 2019, the City of Miami Beach entered into a professional services agreement with RSM US LLP, for Auditing Services, pursuant to Request for Proposal No. (RFP) 2019-092-JC, for a five (5) year period with three (3) optional one (1) year renewal periods; and

WHEREAS, the City seeks to execute the extension permitted under the contract for the three (3) optional one (1) year renewal periods; and

WHEREAS, the entities outlined in the contract are not consistent with current entities to be included in the audit services offered to the City of Miami Beach for the ensuing years services and the City seeks to modify the lists of audit entities; and

WHEREAS, the current agreement Contract No. 19-092-01 as currently outlined, has no provision for any modification of fees and rates nor any adjustments for CPI as noted in previous years nor for any allowance for adjustments for any significant changes in regulatory conditions; and

WHEREAS, the costs of procuring professional accounting services has experienced marked changes post 2019 resulting in significant challenges in procuring services of highly skilled professional accountants essential to performing professional auditing services; and

WHEREAS, there are increased demands of the auditing regulatory reporting environment attributed to increased Governmental Accounting Standards Board (GASB) regulations. Since 2019, GASB has issued more than 12 new standards, several fully implemented by the City of Miami Beach including Statement No. 87 *Leases*, Statement No. 91 *Conduit Debt Obligations*, and Statement No. 96 *Subscription Based Information Technology Arrangements*; and

WHEREAS, the American Institute of Certified Public Accountants (AICPA), Auditing Standards Board (ASB), the agency that regulates and promulgates standards that all professional auditors follow, recently issued a series of standards – Statements on Auditing Standards (SAS) 145 through 149. The adoption of these standards has, among other things, increased documentation requirements, including the integration of advanced technologies and mandates enhanced risk assessment procedures to be incorporated in the completion of financial audits; and

WHEREAS, the implementation of increased regulatory disclosures, reporting and auditing standards requires significant modifications of audit procedures and enhanced training and technical resources to perform audits in compliance with new regulatory requirements.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the recommendation of the City Manager to approve amending Contract No. 19-2019-01 between the City of Miami Beach and RSM US LLP for auditing services allowing for City Administration to execute the extension permitted under the Contract for the three (3) optional one (1) year renewal periods; and modifying the scope of services to remove services no longer required and to add additional required audits and reports for regulatory and contract compliance and to allow the City Administration authorization to negotiate increases in rates and fees in an amount not to exceed 10% for FY 2024 and negotiate increases in rates not to exceed CPI for subsequent audits for FY 2025 and FY 2026 and further authorizing the City Manager and City Clerk to execute Amendment No.1

PASSED AND ADOPTED this _____ day of _____ 2024.

Steven Meiner, Mayor

ATTEST:

Rafael E. Granado, Secretary

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney *DS* Date _____