



MADISON COUNTY BOARD OF SUPERVISORS

125 West North Street • Post Office Box 608
Canton, Mississippi 39046
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www.madison-co.com

July 10, 2020

Ms. Stephanie Palmertree, CPA
Mississippi State Auditor's Office
P O Box 956
Jackson, MS 39205

RE: Contract for Professional Services - Fortenberry and Ballard, PC

Dear Ms. Palmertree:

Per your request, please find enclosed three (3) executed original Contracts for Professional Services between Madison County and Fortenberry and Ballard, PC for audit services for the 2019-2020 fiscal years. The contract was approved by the Madison County Board of Supervisors on September 16, 2019 and executed by, then, Board President Trey Baxter.

Should you require anything further, please do not hesitate to contact us.

Sincerely,

Cynthia Parker
Board Secretary/Chief Deputy Chancery Clerk

enclosures

cc: Shelton Vance, County Administrator
Brent Ballard, Fortenberry and Ballard, PC

via email



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
Shad White

July 17, 2020

Honorable Ronny Lott
Madison County Chancery Clerk
P.O. Box 404
Canton, MS 39046

Dear Honorable Lott:

Enclosed for your files is an executed Contract for Professional Services between Madison County and Fortenberry and Ballard, PC CPA Firm for the performance of the services as set forth in the contract for Fiscal Years 2019 and 2020. This contract has been reviewed and signed by a representative of the Office of the State Auditor pursuant to Sections 7-7-211(e).

Please let us know if you have any questions or need any additional information.

Sincerely,

A handwritten signature in blue ink, reading "Stephanie C. Palmertree".

Stephanie C. Palmertree, CPA, CGMA
Director, Financial and Compliance Audit

SCP/jlt

Enclosure

C: Fortenberry and Ballard, PC CPA Firm
Brent Ballard, President

CONTRACT FOR PROFESSIONAL SERVICES

This document reflects a contractual agreement entered into as of the 16 day of, Sept, 2019 among the Office of the State Auditor, **Madison County** (herein referred to as the "County") And **Fortenberry and Ballard, PC** (herein referred to as the "Firm") to provide services, materials and personnel to perform the work as specified in paragraph 1.

Scope of Services

1. The County and the Office of the State Auditor desire to engage the Firm to render the following professional audit services for the County for the **2019 and 2020** fiscal years:
 - A. Perform a financial audit for all funds of the County.
 - B. Perform a compliance audit with applicable state and federal laws and regulations. Sections of the compliance audit program labeled as "Required" must be completed by the Firm regardless of materiality or impact to the Financial Statements.
 - C. Perform Items A and B above in conformity with professional standards, laws, rules, regulations and guidelines as contained in, but not limited to, the documents identified in paragraph 4 of this contract.

Indicate which type of financial reporting framework of financial statement reporting for performance of audit services:

Initial Applicable Framework (Select Only One)

County Representative	CPA Firm Representative	Type of Framework of Financial Statement Reporting
		General Purpose Financial Reporting Framework (GAAP)
		Special Purpose Financial Reporting Framework (Cash Basis-OCBOA)

Authorized Representatives

2. The following people have been empowered to act as the duly authorized representatives for this contract:

Office of the State Auditor

Name: Stephanie C. Palmertree, CPA
Title: Director, Financial and Compliance Audit
Address: P. O. Box 956, Jackson, MS 39205

Madison County, Mississippi

Name: Ronny Lott
Title: Chancery Clerk
Address: Post Office Box 404, Canton, MS 39046

Fortenberry and Ballard, PC CPA Firm

Name: Brent Ballard
Title: President
Address: 1929 Spillway Road, Suite B, Brandon, MS 39047

Termination of Contract

6. The County, with the written consent of the Office of the State Auditor, has the right to reject any work not meeting the terms of this contract. Should either reject any services, the County's or the Office of the State Auditor's authorized representative shall notify the Firm in writing of such rejection giving reason therefore. The right to reject services shall extend throughout the terms of this contract. However, prior to termination of this contract by the County, the County must provide written justification to the Office of the State Auditor documenting the reasons for requesting the contract be terminated. The County must obtain written approval from the Office of the State Auditor prior to terminating the contract.

Firm's Requirements of Services

7. The Firm shall provide a draft report and the workpapers, if requested, to the Office of the State Auditor for review and approval. If a Single Audit, this must be provided to the Office of the State Auditor no later than April 30, 2020, for the fiscal year 2019 audit and April 30, 2021, for the fiscal year 2020 audit. If there is no Single Audit, the draft report and completed workpapers, if requested, must be provided to the Office of the State Auditor no later than June 30, 2020, for the fiscal year 2019 audit and June 30, 2021, for the fiscal year 2020 audit. Upon written notification by the Office of the State Auditor, the Firm shall make any necessary corrections to the report due to this review, and these corrections shall be made within two weeks of such notification. In addition, a copy of the Compliance Audit Program provided by the Office of the State Auditor must be completed and sent to the Office of the State Auditor with any draft report. The records shall be maintained for at least five (5) years; however, if any litigation or other legal action has begun that is not completed at the end of the five (5) year period, or if audit findings, litigation or other legal action has not been resolved at the end of the five (5) year period, the records shall be retained until resolution. Send all documents to ((County.audits@osa.ms.gov))

Responsibility of Firm to Distribute Audit Report

8. If a Single Audit, the Firm shall provide two (2) copies of the completed signed report and (1) CD/electronic media/email (County.audits@osa.ms.gov) containing a Final Report Adobe PDF File to the Office of the State Auditor by June 30, 2020 for the fiscal year 2019 audit and June 30, 2021 for the fiscal year 2020 audit. If a Single Audit, the Data Collection Form (Form SF-SAC) and one copy of the approved Single Audit reporting package, as required by OMB Uniform Grant Guidance, should be filed electronically with the Federal Audit Clearinghouse. Instructions for the filing may be accessed at <http://harvester.census.gov/fac/index.html>. If there is no Single Audit, the Firm shall provide two (2) copies of the completed signed report and (1) CD/electronic media/email (County.audits@osa.ms.gov) containing a Final Report Adobe PDF File to the Office of the State Auditor by August 31, 2020 for the fiscal year 2019 audit and August 31, 2021 for the fiscal year 2020 audit. Also the firm should provide the Office of the State Auditor with the total amount of federal expenditures for each fiscal year.

The Firm shall also provide six (6) copies of the completed signed reports to the County, with synopsis instructions, at the same time it provides the reports discussed above.

Engagement Letter

9. The Firm should provide an engagement letter for the audit which contains the price quote.

Progress Reports

10. The Firm shall keep on file monthly progress reports which detail the work completed during the month and shall make these reports available to the County and/or the Office of the State Auditor for review, if requested. Additionally, the Firm must provide status updates on demand as requested by the Office of the State Auditor.

terminating the contract. In the event the contract is terminated, the Firm will provide reasonable assistance to successor auditors in accordance with the applicable professional standards. If the contract is terminated by the County and/or the Office of the State Auditor as provided herein, the Firm will be paid an amount which bears the same ratio to the total services of the Firm covered by the contract as supported by detailed invoices submitted to the County by the Firm identifying hours worked on the contract.

Termination of Contract

17. In the event the County and/or the Office of the State Auditor exercises its right to terminate this contract pursuant to paragraph 6 and/or paragraph 14 of this contract, the Firm shall bear all costs associated with the issuance of a new contract. However, prior to termination of this contract by the County, the County must provide written justification to the Office of the State Auditor documenting the reasons for requesting the contract be terminated. The County must obtain written approval from the Office of the State Auditor prior to terminating the contract. Also, the Firm shall notify the County and the Office of the State Auditor of any potential conflict of interest resulting from service to other clients. If such conflict cannot be resolved to the County's satisfaction, the County reserves the right to terminate this contract with the written consent of the Office of the State Auditor.

Modification or Renegotiation

18. The County, Office of the State Auditor, or the Firm may request changes in the scope of services to be performed by the Firm. Such changes, including any increase or decrease in the amount of the Firm's compensation, which are mutually agreed upon by and between the County, or its duly authorized representative, and the Firm, shall be included in written amendments to this contract and subject to approval by the Office of the State Auditor.

Contractor Requirements

19. The Firm shall, during the entire term of this contract, be construed to be an independent contractor. Nothing in this contract is intended to nor shall be construed to create an employer-employee relationship, or a joint venture relationship.

The Firm represents that it is qualified to perform the duties to be performed under this contract and that it has, or will secure, if needed, at its own expense, applicable personnel who are qualified to perform the duties required under this contract. Such personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the County.

Any person assigned by the Firm to perform the services hereunder shall be an employee or a subcontractor of the Firm who shall have the sole right to hire and discharge its employees or subcontractors.

The Firm or its subcontractors shall pay, when due, all salaries and wages of their employees and accepts exclusive responsibility for the payment of federal income tax, social security, unemployment compensation and any other withholdings that may be required.

Neither the Firm, its subcontractors nor their employees are entitled to state retirement or leave benefits.

It is further understood that the consideration expressed herein constitutes full and complete compensation for all services and performance hereunder, and that any sum due and payable to the Firm shall be paid as a gross sum with no withholdings or deductions being made by the County for any purpose from said contract sum, except as permitted in paragraphs 14, 15 and 16.

Indemnification: To the fullest extent allowed by law, the Firm shall indemnify, defend, save and hold harmless, protect, and exonerate the County, its officers, employees, agents and representatives, and the State of Mississippi from and against all claims, demands, liabilities, suits, actions, damages, losses and costs of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, and attorneys' fees, and claims for damage arising out of or caused by the firm and/or its partners, principals, agents, employees and/or subcontractors in the performance of or failure to perform this Contract.

Assignment

25. The Firm shall not assign or otherwise transfer the obligation incurred on its part pursuant to the terms of this contract without the prior written consent of the County and the Office of the State Auditor. Any attempted assignment or transfer of its obligations without such consent shall be null and void. All obligations and duties of either party under this contract shall be binding on all successors in interest or assigns of such party.

Failure to Enforce

26. Failure of any party hereto to insist upon strict compliance with any of the terms, covenants and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this contract.

Availability of Funds

27. It is expressly understood by the parties hereto that the fulfillment of the obligations of the County under this agreement is conditioned upon the availability and receipt of funds. In the event that funds are insufficient or otherwise unavailable to satisfy payment due under this agreement, the County shall not be obligated to make such payments, and all further obligations of the County under this agreement shall cease immediately, without penalty, cost or expense to the County of any kind whatsoever. In the event of such insufficiency or unavailability of funding, the County shall notify the Firm in writing, of such event, and this agreement shall be void.

Insurance Requirements

28. Firm represents that it will maintain workers' compensation insurance, if applicable, which shall inure to the benefit of all Firm's personnel provided hereunder, comprehensive general liability or professional liability insurance, and where applicable, employee fidelity bond insurance.

Severability

29. If any term or provision of this contract is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this contract shall not be affected thereby and each term and provision of this contract shall be valid and enforceable to the fullest extent permitted by law.

Entire Agreement

30. This contract constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations, understandings and agreements, written or oral, between the parties relating thereto.

Address Changes

31. The parties agree to promptly notify each other of any change of address.

Employee Status Verification System

32. Firm represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act (Senate Bill 2988 from the 2008 Regular Legislative Session) and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Firm agrees to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State.

Reporting Requirements

38. The firm is notified that this contract may be paid in full or part with American Recovery and Reinvestment Act of 2009 (hereinafter, "ARRA") Funds. The Firm shall ensure that all subcontracts and other contracts for goods and services for an ARRA-funded project have the mandated provisions of this directive in their contracts. Pursuant to Title XV, Section 1512 of the ARRA, the Agency shall require that the contractor provide reports and other employment information as evidence to document the number of jobs created or jobs retained by this contract from the Firm's own workforce and any subcontractors. No direct payment will be made for providing said reports, as the cost for same shall be included in the various items in the contract.

Required Contract Provision to Implement ARRA Section 902

39. Section 902 of the ARRA requires that each contract awarded using ARRA funds must include a provision that provides the U.S. Comptroller General and his representatives with the authority to:
 - A. Examine any records of the Firm or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and
 - B. Interview any officer or employee of the firm or any of its subcontractors, or of any State or local government agency administering the contract, regarding such transactions.

Accordingly, the Comptroller General and his representatives shall have the authority and rights prescribed under Section 902 of the ARRA with respect to contracts funded with recovery funds made available under the ARRA. Section 902 further states that nothing in 902 shall be interpreted to limit or restrict in any way any existing authority of the Comptroller General.

Authority of the Inspector General Provision

40. Section 1515(a) of the ARRA provides authority for any representatives of the United States Inspector General to examine any records or interview any employee or officers working on this contract. The Firm is advised that representatives of the Inspector General have the authority to examine any record and interview any employee or officer of the Firm, its subcontractors or other firms working on this contract. Section 1515(b) further provides that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an Inspector General.

Availability and Use of Funds

41. The Firm understands and acknowledges that any and all payment of funds or the continuation thereof is contingent upon funds provided solely by ARRA or required state matching funds. Pursuant to Section 1604 of the ARRA, contractors agree not to undertake or make progress toward any activity using recovery funds that will lead to the development of such activity as casinos or other gambling establishments, aquariums, zoos, golf courses, swimming pools or any other activity specifically prohibited by the Recovery Act.

Federal, State and Local Tax Obligations

42. The Firm asserts and self-certifies that all Federal, State and local tax obligations have been or will be satisfied prior to receiving recovery funds.

OFFICE OF THE STATE AUDITOR

SIGNED: Stephan Palmieri WITNESS: Jacqueline De

TITLE: Director, Department of Audit

DATE: 7/23/20