

AMENDMENT NO. 3

WHEREAS, on October 8, 2018 **Suffolk County Community College ("College")** and **Bonadio & Co, LLP ("Contractor")** entered into an Agreement wherein Contractor agreed to provide annual accounting and auditing services to the College ("**Services**"); and

WHEREAS, the initial term of the Agreement commenced on **September 1, 2018** and expired on August 31, 2021; and

WHEREAS, on August 16, 2021 the parties executed Amendment No. 1 to the Agreement, extending the term thereof to **August 31, 2022**; and on September 9, 2022 the parties executed Amendment No. 2 to the Agreement, extending the term thereof to **August 31, 2023** (the Agreement and all Amendments herein are collectively referred to as the "**Original Agreement**"); and

WHEREAS, the College now wishes to further extend the term of the Original Agreement for a continuation of Services, and to update the Payment Terms thereof.

NOW, THEREFORE, it is mutually understood and agreed by and between the parties hereto as follows:

- 1) The term of the Original Agreement shall hereby be extended by an additional one (1) year period **through August 31, 2024**; and
- 2) **Effective September 1, 2023**, the Specific Payment Terms and Conditions specified in Exhibit E of the Original Agreement shall hereby be amended to reflect a fee of **Seventy-Two Thousand Five Hundred and 00/100 (\$72,500.00) Dollars** for the 2023-2024 renewal term; and
- 3) Exhibit C to the Original Agreement, "Notices and Contact Persons" shall be revised, in part, as follows:

All "Notices Relating to Payments, Reports, or Other Submissions" for the College must be delivered to:

Sara E. Gorton, CPA
Interim Vice President for Business and Financial Affairs
Suffolk County Community College
533 College Road, NFL 232
Selden, NY 11784-2899

All "Notices Relating to Insurance" for the College must be delivered to:

David T. Schneider
Executive Director – Risk Mitigation
Suffolk County Community College
533 College Road, NFL 125
Selden, NY 11784

All "Notices Relating to Termination and/or Litigation" for the College must be delivered to:

College General Counsel
Suffolk County Community College
533 College Road, NFL 230
Selden, NY 11784

and Suffolk County Attorney
Suffolk County Department of Law
H. Lee Dennison Building
100 Veterans Memorial Highway
Hauppauge, NY 11788


- 4) All other terms and conditions of the Original Agreement, not inconsistent herewith, shall remain in full force and effect for the term of the Amended Agreement.
- 5) No modification of this Amendment shall be valid unless mutually agreed to in writing and fully executed by the parties.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 3 as of the latest date written below.

Bonadio & Co. LLP
FID: 16-1131146

Suffolk County Community College

By: 
Heather Briggs, CPA
Principal

By: 
Edward T. Bonahue, Ph.D.
President

Date: September 7, 2023

Date: 9/11/23

Approved as to Legality:
Suffolk County Community College

Approved:
Suffolk County Community College

By: 
Alla Brodsky, Esq.
College Deputy General Counsel

By: 
Sara E. Gorton, CPA
Interim Vice President for Business and
Financial Affairs

Date: 9/7/2023

Date: 9/7/2023

AMENDMENT NO. 2

WHEREAS, Suffolk County Community College ("**College**") and Bonadio & Co., LLP ("**Contractor**") entered into an Agreement on October 8, 2018 wherein Contractor agreed to provide annual accounting and auditing services to the College ("**Services**"); and

WHEREAS, on August 16, 2021, the parties executed Amendment No. 1 to the Agreement, which extended the term thereof to August 31, 2022; and


WHEREAS, the College desires to extend the term of the Agreement for an additional one (1) year, and amend certain provisions thereof.

NOW, THEREFORE, it is mutually understood and agreed by and between the parties hereto as follows:

- 1) The term of the Agreement shall be extended for the period beginning **September 1, 2022 through August 31, 2023**; and
- 2) Effective as of **September 1, 2022**, the Agreement at Exhibit E (Specific Payment Terms and Conditions) shall be amended to reflect a fee of \$68,800.00 for the 2022-2023 renewal term; and
- 3) All other terms and conditions of the original Agreement, not inconsistent herewith, shall remain in full force and effect.

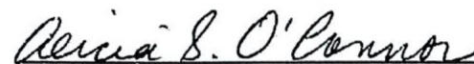
IN WITNESS WHEREOF, the parties have executed this Amendment as of the latest date written below.

Bonadio & Co., LLP
FID: 16-1131146

By:  _____
 Digitally signed by
 Timothy J Doyle
 Date: 2022.08.31 14:57:29
 -04'00'
 Timothy J. Doyle, CPA
 Partner


Date: _____

Approved as to Legality:
Suffolk County Community College

By:  _____
 Alicia S. O'Connor
 College Deputy General Counsel

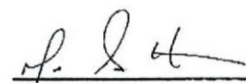
Date: 9/8/2022

Suffolk County Community College

By:  _____
 Edward T. Bonahue, Ph.D.
 President

Date: 9/9/22

Approved:
Suffolk County Community College

By:  _____
 Mark D. Harris, DBA
 Vice President for Business and
 Financial Affairs

Date: 09.08.2022

AMENDMENT NO. 1

WHEREAS, Suffolk County Community College ("College") and Bonadio & Co. LLC ("Contractor") entered into an Agreement on October 8, 2018 wherein Contractor agreed to provide annual accounting and auditing services to the College ("**Services**"); and

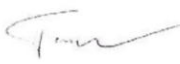
WHEREAS, the College desires to extend the Agreement for an additional one (1) year and to amend certain provisions thereof.

NOW, THEREFORE, it is mutually understood and agreed by and between the parties hereto as follows:

- 1) The term of the Agreement shall be extended for the period beginning **September 1, 2021 through August 31, 2022**; and
- 2) Effective as of September 1, 2021, the Agreement at Exhibit E (Specific Payment Terms and Conditions) shall be amended to reflect a fee of \$67,700.00 for the 2021-2022 renewal term; and
- 3) All other terms and conditions of the original Agreement, not inconsistent herewith, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the latest date written below.

Bonadio & Co., LLC
FID: 16-1131146

By:  _____
Digitally signed by
Timothy J Doyle
Date: 2021.08.11
10:41:01 -04'00'
Timothy J. Doyle, CPA
Partner

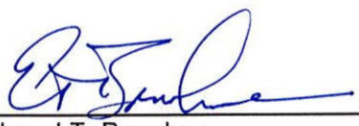
Date: _____

Approved as to Legality:
Suffolk County Community College

By: Alicia S. O'Connor
Alicia Sheehan O'Connor
College Deputy General Counsel

Date: 08/11/2021

Suffolk County Community College

By:  _____
Dr. Edward T. Bonahue
President

Date: 8/16/21

Approved:
Suffolk County Community College

By:  _____
Mark D. Harris, DBA
Vice President for Business and
Financial Affairs

Date: 08.11.2021

AGREEMENT

This Agreement (Agreement) is between Suffolk County Community College ("College"), having its principal office at 533 College Road, Selden, New York 11784-2899, a community college established pursuant to New York State Education Law, under the sponsorship of the County of Suffolk ("County"), a municipal corporation of the State of New York, and

Bonadio & Co. LLP ("Contractor"), a New York limited liability partnership having its principal place of business at 488 Madison Avenue, 23rd Floor, New York, New York 10022.

The parties hereto desire for Contractor to provide annual accounting and auditing services to the College ("Services").

Term of Agreement: September 1, 2018 to August 31, 2021 with three (3) additional one-year options to renew at the sole and absolute discretion of the College.

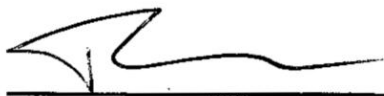
Total Cost of Agreement: Shall not exceed amounts as set forth in Exhibit E, annexed hereto.

Terms and Conditions: Shall be as set forth in Exhibits A through G, annexed hereto.

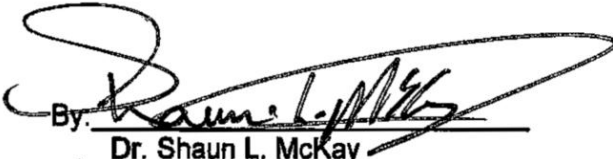
In Witness Whereof, the parties hereto have executed this Agreement as of the latest date written below.

Bonadio & Co. LLP
Fed. Tax ID # 16-1131146
Tel.: (212) 600-2854

Suffolk County Community College

By: 

Timothy J. Doyle, CPA
Partner

By: 

Dr. Shaun L. McKay
President

Date: 9/24/2018

Date: 10/8/18

Approved as to Legality:
Suffolk County Community College

Approved:
Suffolk County Community College

By: 

Louis J. Petrizzo
College General Counsel/Executive V.P.

By: 

Gail Vizzini
Vice President for Business and
Financial Affairs

Date: 10/05/18

Date: 10/5/2018

LIST OF EXHIBITS

Page

Exhibit A

General Terms and Conditions 04

- 1. Contractor Responsibilities
- 2. Term and Termination
- 3. Indemnification
- 4. Insurance
- 5. Independent Contractor
- 6. Severability
- 7. Merger; No Oral Changes
- 8. Set-Off Rights
- 9. Non-Discrimination in Services
- 10. College's Non-Discrimination Notice
- 11. Nonsectarian Declaration
- 12. Governing Law
- 13. No Implied Waiver
- 14. Conflicts of Interest
- 15. Cooperation on Claims
- 16. Confidentiality
- 17. Assignment and Subcontracting
- 18. No Intended Third Party Beneficiaries
- 19. Certification as to Relationships
- 20. Publications and Publicity
- 21. Copyrights and Patents

Exhibit B

Suffolk County Legislative Requirements 13

- 1. Contractor's/Vendor's Public Disclosure Statement
- 2. Living Wage Law
- 3. Use of County Resources to Interfere with Collective Bargaining Activities
Local Law No. 26-2003
- 4. Lawful Hiring of Employees Law
- 5. Gratuities
- 6. Prohibition Against Contracting with Corporations that Reincorporate Overseas
- 7. Child Sexual Abuse Reporting Policy
- 8. Non Responsible Bidder
- 9. Use of Funds in Prosecution of Civil Actions Prohibited
- 10. Suffolk County Local Laws

Exhibit C
Notices and Contact Persons 17

- 1. Notices Relating to Payments, Reports, or Other Submissions
- 2. Notices Relating to Insurance
- 3. Notices Relating to Termination and/or Litigation

Exhibit D
Description of Services 19

- 1. "Scope of Work" contained in the College's RFP
- 2. "Technical Proposal" contained in the Contractor's Proposal 24

Exhibit E
Payment Terms and Conditions 33

- 1. General Payment Terms
- 2. Agreement Subject to Appropriation of Funds
- 3. Limit of College's Obligations
- 4. Specific Payment Terms and Conditions

Exhibit F
College's Request for Proposals 39

Exhibit G
Contractor's Proposal 40

**EXHIBIT A
General Terms and Conditions**

Whereas, the College issued a Request for Proposals (RFP), which was advertised on June 14, 2018; and

Whereas, Contractor submitted a proposal in response to such RFP on July 11, 2018; and

Whereas, the College has selected Contractor to provide the services as set forth herein; and

Now therefore, in consideration of the mutual promises and covenants hereafter set forth, the parties hereto agree as follows:

1. Contractor Responsibilities

a. Services

Contractor shall provide the Services described in Exhibit D, entitled "Description of Services."

b. Qualifications and Licenses

To the extent applicable, Contractor specifically represents and warrants that it has and shall possess, and that, to the extent applicable, its employees, agents and subcontractors have and shall possess, the required education, knowledge, experience and character necessary to qualify them individually for the particular duties they perform and that Contractor has and shall have, and, to the extent applicable, its employees, agents and subcontractors have and shall have, all required authorizations, certificates, certifications, registrations, licenses, permits or other approvals required by the State, County or other authorities for the Services provided.

2. Term and Termination

a. Term

This Agreement shall cover the period set forth on page one of this Agreement, unless sooner terminated as provided below. Upon receipt of a Termination Notice, as that term is defined below, Contractor shall promptly discontinue all Services affected, unless otherwise directed by the Termination Notice.

b. Termination for Cause

- i.** A failure to maintain the amount and types of insurance required by this Agreement may result in immediate termination of this Agreement, in the sole discretion of the College.
- ii.** Failure to comply with federal, state or local laws, rules, regulations, or College or County policies or directives may result in immediate termination of this Agreement, in the sole discretion of the College.
- iii.** If Contractor becomes bankrupt or insolvent or falsifies its records or reports, or misuses its funds from whatever source, the College may terminate this Agreement in whole or in part, effective immediately, or, at its option, effective at a later date specified in the notice of such termination to Contractor.

- iv. In the event of a failure on the part of Contractor to observe any of the other terms and conditions of this Agreement, this Agreement may be terminated in whole or in part in writing by the College provided that no such termination shall be effective unless Contractor is given five (5) calendar days' (or longer, at the College's option) written notice of intent to terminate (Notice of Intent to Terminate), delivered in accordance with the Exhibit entitled "Notices and Contact Persons." During such five (5) day period, (or longer, at the College's option) Contractor will be given an opportunity for consultation with the College and an opportunity to cure all failures of its obligations prior to termination by the College. In the event that Contractor has not cured all its failures to fulfill its obligations to the satisfaction of the College by the end of the (5) day period (or longer, at the College's option), the College may issue a written termination notice (Termination Notice), effective immediately.

c. Termination for Emergencies

An emergency or other condition involving possible loss of life, threat to health and safety, destruction of property or other condition deemed to be dangerous, in the sole discretion of the College, may result in immediate termination of this Agreement, in whole or in part.

d. Termination for Convenience

The College shall have the right to terminate this Agreement at any time and for any reason deemed to be in its best interest, provided that no such termination shall be effective unless Contractor is given thirty (30) calendar days' prior written notice (Termination Notice). In such event of termination, the College shall pay Contractor for the services rendered through the date of termination.

e. Payments upon Termination

- i. Upon receiving a Termination Notice, Contractor shall promptly discontinue all services affected unless otherwise directed by the Termination Notice.
- ii. The College shall be released from any and all responsibilities and obligations arising from the services provided in accordance with this Agreement, effective as of the date of termination, but the College shall be responsible for payment of all claims for services provided and costs incurred by Contractor prior to termination of this Agreement, that are pursuant to, and after Contractor's compliance with, the terms and conditions of this Agreement.
- iii. Upon termination, Contractor agrees to promptly reimburse to the College the balance of any funds advanced to Contractor by the College. Upon termination, any funds paid to Contractor by the College which were used by Contractor in a manner that failed to comply with the terms and conditions of this Agreement must be promptly reimbursed. If there is no response or if satisfactory repayments are not made, the College may recoup such payments from any amounts due or becoming due to Contractor from the College under this Agreement or otherwise. The provisions of this subparagraph shall survive the expiration or termination of the Agreement.

3. Indemnification

a. General

Contractor agrees that it shall protect, indemnify and hold harmless the College and/or County and their officers, officials, employees, contractors, agents and other persons from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the acts or omissions or the negligence of Contractor in connection with the services described or referred to in this Agreement. Contractor shall defend the College and /or County and their officers, officials, employees, contractors, agents and other persons in any suit, including appeals, or at the College and /or County's option, pay reasonable attorney's fees for defense of any such suit arising out of the negligent acts or omissions of Contractor, its officers, officials, employees, subcontractors or agents, if any, in connection with the services described or referred to in this Agreement.

The College and/or County, to the extent permitted by law, agrees to indemnify and hold Contractor harmless from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the negligent acts or omissions of the College in connection with the services described or referred to in this Agreement. College shall defend Contractor and its officers, officials, employees and consultants, in any suit, including appeals arising out of negligent acts or omissions of the College, or at Contractor's option, pay reasonable attorney's fees for defense of any such suit arising out of the negligent acts or omissions of the College, its officers, officials, employees, subcontractors or agents, if any, in connection with the services described or referred to in this Agreement.

b. Federal Copyright Act

Contractor hereby represents and warrants that it will not infringe upon any copyrighted work or material in accordance with the Federal Copyright Act during the performance of this Contract. Furthermore, Contractor agrees that it shall protect, indemnify and hold harmless the College and/or County and their officers, officials, employees, contractors, agents and other persons from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorney's fees, arising out of the acts or omissions or the negligence of Contractor in connection with the services described or referred to in this Agreement. Contractor shall defend the College and/or County and their officers, officials, employees, contractors, agents and other persons in any suit, including appeals, or, at the College and/or County's option, pay reasonable attorney's fees for defense of any such suit arising out of the acts or omissions or negligence of Contractor, its officers, officials, employees, subcontractors, lessees, licensees, invitees or agents, if any, in connection with the services described or referred to in this Agreement.

4. Insurance

- a.** Contractor agrees to procure, pay the entire premium for and maintain throughout the term of this Agreement, insurance in amounts and types specified by the College and as may be mandated and increased from time to time. Contractor agrees to require that all of its subcontractors, in connection with work performed for Contractor related to this Agreement, procure, pay the entire premium for and maintain throughout the term of this Agreement

Project Name: Annual Accounting and Auditing Services for SCCC

insurance in amounts and types equal to that specified by the College for Contractor. Unless otherwise specified by the College and agreed to by Contractor, in writing, such insurance shall be as follows:

- i. **Commercial General Liability** insurance, including contractual liability coverage, in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence for bodily injury and Two Million Dollars (\$2,000,000.00) per occurrence for property damage.
 - ii. **Automobile Liability** insurance (if any vehicles are used by Contractor in the performance of this Agreement) in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) per person, per accident, for bodily injury and not less than One Hundred Thousand Dollars (\$100,000.00) for property damage per occurrence.
 - iii. **Worker's Compensation and Employer's Liability** insurance in compliance with all applicable New York State laws and regulations and **Disability Benefits** insurance, if required by law. Contractor shall furnish to the College, prior to its execution of this Agreement, the documentation required by the State of New York Workers' Compensation Board of coverage or exemption from coverage pursuant to §§57 and 220 of the Workers' Compensation Law. In accordance with General Municipal Law §108, this Agreement shall be void and of no effect unless Contractor shall provide and maintain coverage during the term of this Agreement for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.
 - iv. **Professional Liability** insurance in an amount not less than Two Million Dollars (\$2,000,000.00) on either a per occurrence or claims made coverage basis.
- b. All policies providing such coverage shall be issued by insurance companies with an A.M. Best rating of A- or better.
 - c. Contractor shall furnish to the College Declaration Pages for each such policy of insurance and upon request, a true and certified original copy of each such policy, evidencing compliance with the aforesaid insurance requirements. **In the case of commercial general liability insurance, the College and the County of Suffolk shall be named as additional insureds and Contractor shall furnish a Declaration Page and endorsement page evidencing the College and the County's status as additional insureds on the policy. The Contractor must ensure that the certificate of insurance references the assigned Contract Number and Project Name.**
 - d. Any such Declaration Page, certificate of insurance, policy, endorsement page or other evidence of insurance supplied to the College shall provide for the College and the County of Suffolk to be notified in writing thirty (30) days prior to any cancellation, nonrenewal or material change in the policies. Such Declaration Page, certificate of insurance, policy, endorsement page, other evidence of insurance and any notice of nonrenewal or material change shall be mailed to the College and the County at the addresses set forth in this Agreement in the exhibit entitled "Notices and Contact Persons" or at such other address of which the College and/or the County shall have given Contractor notice in writing.
 - e. In the event Contractor shall fail to provide the Declaration Page, certificate of insurance, policy, endorsement page or other evidence of insurance, or fails to maintain any insurance required by this Agreement, the College and/or the County may, but shall not be required to, obtain such

policies and deduct the cost thereof from payments due Contractor under this Agreement or any other agreement between the College and/or the County and Contractor.

5. Independent Contractor

It is expressly agreed that Contractor's status hereunder is that of an independent contractor. Neither Contractor, nor any person hired by Contractor shall be considered employees of the College and/or the County for any purpose.

6. Severability

It is expressly agreed that if any term or provision of this Agreement, or the application thereof to any person or circumstance, shall be held invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and every other term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

7. Merger; No Oral Changes

It is expressly agreed that this Agreement represents the entire agreement of the parties and that all previous understandings are merged in this Agreement. No modification of this Agreement shall be valid unless written in the form of an Amendment and executed by both parties.

8. Set-Off Rights

The College shall have all of its common law, equitable, and statutory rights of set-off. These rights shall include, but not be limited to, the College's option to withhold, for the purposes of set-off, any moneys due to Contractor under this contract up to any amounts due and owing to the College with regard to this contract and/or any other contract with the College, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the College for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The College shall exercise its set-off rights in accordance with normal College practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the College, its representatives, and only after legal consultation with the College General Counsel.

9. Non-Discrimination in Services

During the performance of this Agreement:

- a. Contractor shall not, on the grounds of race, creed, color, national origin, sex, age, disability, sexual orientation, military status or marital status:
 - i. deny any individual any services or other benefits provided pursuant to this Agreement; or
 - ii. provide any services or other benefits to an individual that are different, or are provided in a different manner, from those provided to others pursuant to this Agreement; or
 - iii. subject an individual to segregation or separate treatment in any matter related to the individual's receipt of any service(s) or other benefits provided pursuant to this Agreement; or

- iv. restrict an individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any services or other benefits provided pursuant to this Agreement; or
 - v. treat an individual differently from others in determining whether or not the individual satisfies any eligibility or other requirements or condition which individuals must meet in order to receive any aid, care, service(s) or other benefits provided pursuant to this Agreement.
- b. Contractor shall not utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination because of their race, creed, color, national origin, sex, age, disability, sexual orientation, military status or marital status, or have the effect of defeating or substantially impairing accomplishment of the objectives of this Agreement in respect to individuals of a particular race, creed, color, national origin, sex, age, disability, sexual orientation, military status or marital status, in determining:
- i. the types of service(s) or other benefits to be provided, or
 - ii. the class of individuals to whom, or the situations in which, such service(s) or other benefits will be provided; or
 - iii. the class of individuals to be afforded an opportunity to receive services.

10. College's Non-Discrimination Notice

Suffolk County Community College does not discriminate on the basis of race, color, religion, creed, sex, age, marital status, gender identity or expression, sexual orientation, familial status, pregnancy, predisposing genetic characteristics, equal pay compensation-sex, national origin, military or veteran status, domestic violence victim status, criminal conviction or disability in its admissions, programs and activities, or employment. This applies to all employees, students, applicants or other members of the College community (including, but not limited to, vendors and visitors). Grievance procedures are available to interested persons by contacting either of the Civil Rights Compliance Officers/Coordinators listed below and are located at www.sunysuffolk.edu/nondiscrimination. Retaliation against a person who files a complaint, serves as a witness, or assists or participates in the investigation of a complaint in any manner is strictly prohibited.

The following persons have been designated to handle inquiries regarding the College's non-discrimination policies:

Civil Rights Compliance Officers

Christina Vargas
Chief Diversity Officer/Title IX Coordinator
Ammerman Campus, NFL Bldg., Suite 230
533 College Road, Selden, New York 11784
vargasc@sunysuffolk.edu
(631) 451-4950

or

Dionne Walker-Belgrave
Affirmative Action Officer/Deputy Title IX Coordinator
Ammerman Campus, NFL Bldg., Suite 230
533 College Road, Selden, New York 11784
walkerd@sunysuffolk.edu
(631) 451-4051

11. Nonsectarian Declaration

Contractor agrees that all services performed under this Agreement are secular in nature, that no funds received pursuant to this Agreement will be used for sectarian purposes or to further the advancement of any religion, and that no services performed under this program will discriminate on the basis of religious belief.

12. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws. Venues shall be designated in Suffolk County, New York or the United States District Court for the Eastern District of New York.

13. No Implied Waiver

No waiver shall be inferred from any failure or forbearance of the College to enforce any provision of this Agreement in any particular instance or instances, but the same shall otherwise remain in full force and effect notwithstanding any such failure or forbearance.

14. Conflicts of Interest

- a. Contractor agrees that it will not during the term of this Agreement engage in any activity that is contrary to and/or in conflict with the goals and purposes of the College and/or the County.
- b. Contractor is charged with the duty to disclose to the College and/or the County the existence of any such adverse interests, whether existing or potential. This duty shall continue so long as Contractor is retained on behalf of the College. The determination as to whether or when a conflict exists or may potentially exist shall ultimately be made by the College General Counsel and the County Attorney after full disclosure is obtained.

15. Cooperation on Claims

Each of the parties hereto agrees to render diligently to the other party, without additional compensation, any and all cooperation, that may be required to defend the other party, its employees and designated representatives against any claim, demand or action that may be brought against the other party, its employees or designated representatives in connection with this Agreement.

16. Confidentiality

Any records, reports or other documents of the College and/or the County used by Contractor pursuant to this Agreement or any documents created as a part of this Agreement shall remain the property of the College and/or the County and shall be kept confidential in accordance with applicable laws, rules and regulations.

17. Assignment and Subcontracting

- a.** Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of this Agreement, or any of its right, title or interest therein, or its power to execute the Agreement, or assign all or any portion of the monies that may be due or become due hereunder, to any other person or corporation, without the prior consent in writing of the College, and any attempt to do any of the foregoing without such consent shall be of no effect.
- b.** Contractor shall not enter into subcontracts for any of the work contemplated under this Agreement without obtaining prior written approval of the College. Such subcontracts shall be subject to all of the provisions of this Agreement and to such other conditions and provisions as the College may deem necessary, provided, however, that notwithstanding the foregoing, unless otherwise provided in this Agreement, such prior written approval shall not be required for the purchase of articles, supplies, equipment and services which are incidental to, but necessary for, the performance of the work required under this Agreement. No approval by the College of any subcontract shall provide for the incurrence of any obligation by the College in addition to the total agreed upon price. Contractor shall be responsible for the performance of any subcontractor for the delivery of service.

18. No Intended Third Party Beneficiaries

This Agreement is entered into solely for the benefit of College, County and Contractor. No third party shall be deemed a beneficiary of this Agreement, and no third party shall have the right to make any claim or assert any right under this Agreement.

19. Certification as to Relationships

The parties to this Agreement hereby certify that, other than the funds provided in this Agreement and other valid Agreements with the College and/or the County, there is no known relationship within the third degree of consanguinity, life partner, or business, commercial, economic, or financial relationship between the parties, the signatories to this Agreement, and any partners, members, directors, or shareholders of five percent (5%) (or more) of any party to this Agreement.

20. Publications and Publicity

- a.** Contractor shall not issue or publish any book, article, report or other publication related to the Services provided pursuant to this Agreement without first obtaining written prior approval from the College. Any such printed matter or other publication shall contain the following statement in clear and legible print:

"This publication is fully or partially funded by Suffolk County Community College and the County of Suffolk."
- b.** The College shall have the right of prior approval of press releases and any other information provided to the media, in any form, concerning the Services provided pursuant to this Agreement.

21. Copyrights and Patents

a. Copyrights

If the work of Contractor under this Agreement should result in the production of original books, manuals, films or other materials for which a copyright may be granted, Contractor may secure copyright protection. However, the College reserves, and Contractor hereby gives to the College, and to any other municipality or government agency or body designated by the College, a royalty-free, nonexclusive license to produce, reproduce, publish, translate or otherwise use any such materials.

b. Patents

If Contractor under this Agreement makes any discovery or invention in the course of or as a result of work performed under this Agreement, Contractor may apply for and secure for itself patent protection. However, the College reserves, and Contractor hereby gives to the College, and to any other municipality or government agency or body designated by the College, a royalty-free, nonexclusive license to produce or otherwise use any item so discovered or patented.

End of Text for Exhibit A

EXHIBIT B
Suffolk County Legislative Requirements

1. Contractor's/Vendor's Public Disclosure Statement

Contractor represents and warrants that it has filed with the Comptroller of Suffolk County the verified public disclosure statement required by Suffolk County Administrative Code Article V, Section A5-7 and shall file an update of such statement with the Comptroller on or before the 31st day of January in each year of this Agreement's duration. Contractor acknowledges that such filing is a material, contractual and statutory duty and that the failure to file such statement shall constitute a material breach of this Agreement, for which the College shall be entitled, upon a determination that such breach has occurred, to damages, in addition to all other legal remedies, of fifteen percent (15%) of the amount of the Agreement.

Required Form: Suffolk County Form SCEX 22; entitled "Contractor's/Vendor's Public Disclosure Statement"

2. Living Wage Law

This Agreement is subject to the Living Wage Law of the County of Suffolk. The law requires that, unless specific exemptions apply, all employers (as defined) under service contracts and recipients of County financial assistance (as defined) shall provide payment of a minimum wage to employees as set forth in the Living Wage Law. Such rate shall be adjusted annually pursuant to the terms of the Suffolk County Living Wage Law of the County of Suffolk. Under the provisions of the Living Wage Law, the County shall have the authority, under appropriate circumstances, to terminate this Agreement and to seek other remedies as set forth therein, for violations of this Law.

Contractor represents and warrants that it has read and shall comply with the requirements of Suffolk County Code Chapter 347, Suffolk County Local Law No. 12-2001, the Living Wage Law.

Required Forms: Suffolk County Living Wage Form LW-1; entitled "Suffolk County Department of Labor – Living Wage Unit Notice of Application for County Compensation (Contract)"

Suffolk County Living Wage Form LW-38; entitled "Suffolk County Department of Labor – Living Wage Unit Living Wage Certification/Declaration – Subject To Audit"

3. Use of County Resources to Interfere with Collective Bargaining Activities
Local Law No. 26-2003

Contractor represents and warrants that it has read and is familiar with the requirements of Chapter 466, Article 1 of the Suffolk County Local Laws, "Use of County Resources to Interfere with Collective Bargaining Activities." County Contractors (as defined) shall comply with all requirements of Local Law No. 26-2003 including the following prohibitions:

- a. Contractor shall not use County funds to assist, promote, or deter union organizing.
- b. No County funds shall be used to reimburse Contractor for any costs incurred to assist, promote, or deter union organizing.
- c. The County of Suffolk shall not use County funds to assist, promote, or deter union organizing.

- d. No employer shall use County property to hold a meeting with employees or supervisors if the purpose of such meeting is to assist, promote, or deter union organizing.

If Contractor services are performed on County property, Contractor must adopt a reasonable access agreement, a neutrality agreement, fair communication agreement, nonintimidation agreement and a majority authorization card agreement.

If Contractor services are for the provision of human services and such services are not to be performed on County property, Contractor must adopt, at the least, a neutrality agreement.

Under the provisions of Local Law No. 26-2003, the County shall have the authority, under appropriate circumstances, to terminate this Agreement and to seek other remedies as set forth therein, for violations of this Law.

Required Form: Suffolk County Labor Law Form DOL-LO1; entitled "Suffolk County Department of Labor – Labor Mediation Unit Union Organizing Certification/Declaration – Subject to Audit"

4. Lawful Hiring of Employees Law

This Agreement is subject to the Lawful Hiring of Employees Law of the County of Suffolk (Local Law 52-2006). It provides that all covered employers, (as defined), and the owners thereof, as the case may be, that are recipients of compensation from the County through any grant, loan, subsidy, funding, appropriation, payment, tax incentive, contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or an awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit a completed sworn affidavit (under penalty of perjury) certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees (as defined) and with respect to the alien and nationality status of the owners thereof. The affidavit shall be executed by an authorized representative of the covered employer or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement with the County; and shall be made available to the public upon request.

All contractors and subcontractors (as defined) of covered employers, and the owners thereof, as the case may be, that are assigned to perform work in connection with a County contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit to the covered employer a completed sworn affidavit (under penalty of perjury) certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees and with respect to the alien and nationality status of the owners thereof, as the case may be. The affidavit shall be executed by an authorized representative of the contractor, subcontractor, or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement between the covered employer and the County; and shall be made available to the public upon request.

An updated affidavit shall be submitted by each such employer, owner, contractor and subcontractor no later than January 1 of each year for the duration of any contract and upon the renewal or amendment of the contract, and whenever a new contractor or subcontractor is hired under the terms of the contract.

Contractor acknowledges that such filings are a material, contractual and statutory duty and that the failure to file any such statement shall constitute a material breach of this agreement.

Under the provisions of the Lawful Hiring of Employees Law, the County shall have the authority to terminate this Agreement for violations of this Law and to seek other remedies available under the law.

This Agreement is subject to the Lawful Hiring of Employees Law of the County of Suffolk, Suffolk County Code Chapter 234, as more fully set forth in the Exhibit collectively referred to as the "Suffolk County Legislative Requirements." In accordance with this law, Contractor or employer, as the case may be, and any subcontractor or owner, as the case may be, agree to maintain the documentation mandated to be kept by this law on site at all times. Contractor or employer, as the case may be, and any subcontractor or owner, as the case may be, further agree that employee sign-in sheets and register/log books shall be kept on site at all times during working hours and all covered employees, as defined in the law, shall be required to sign such sign in sheets/register/log books to indicate their presence on the site during such working hours.

Contractor represents and warrants that it has read, is in compliance with, and shall comply with the requirements of Suffolk County Code Chapter 234, Suffolk County Local Law No. 52-2006, the Lawful Hiring of Employees Law.

Required Forms: Suffolk County Lawful Hiring of Employees Law Form LHE-1; entitled "Suffolk County Department of Labor –"Notice Of Application To Certify Compliance With Federal Law (8 U.S.C. SECTION 1324a) With Respect To Lawful Hiring of Employees"

"Affidavit Of Compliance With The Requirements Of 8 U.S.C. Section 1324a With Respect To Lawful Hiring Of Employees" Form LHE-2.

5. Gratuities

Contractor represents and warrants that it has not offered or given any gratuity to any official, employee or agent of Suffolk County or New York State or of any political party, with the purpose or intent of securing an agreement or securing favorable treatment with respect to the awarding or amending of an agreement or the making of any determinations with respect to the performance of an agreement, and that the signer of this Agreement has read and is familiar with the provisions of Local Law No. 32-1980 of Suffolk County (Chapter 386 of the Suffolk County Code).

6. Prohibition Against Contracting with Corporations that Reincorporate Overseas

Contractor represents that it is in compliance with Suffolk County Administrative Code Article IV, §§A4-13 and A4-14, found in Suffolk County Local Law No. 20-2004, entitled "A Local Law To Amend Local Law No. 5-1993, To Prohibit The County of Suffolk From Contracting With Corporations That Reincorporate Overseas." Such law provides that no contract for consulting services or goods and services shall be awarded by the County to a business previously incorporated within the U.S.A. that has reincorporated outside the U.S.A.

7. Child Sexual Abuse Reporting Policy

Contractor agrees to comply with Chapter 577, Article IV, of the Suffolk County Code, entitled "Child Sexual Abuse Reporting Policy," as now in effect or amended hereafter or of any other Suffolk County Local Law that may become applicable during the term of this Agreement with regard to child sexual abuse reporting policy.

8. Non Responsible Bidder

Contractor represents and warrants that it has read and is familiar with the provisions of Suffolk County Code Chapter 143, Article II, §§143-5 through 143-9. Upon signing this Agreement, Contractor certifies that he, she, it, or they have not been convicted of a criminal offense within the last ten (10) years. The term "conviction" shall mean a finding of guilty after a trial or a plea of guilty to an offense covered under the provision of Section 143-5 of the Suffolk County Code under "Nonresponsible Bidder."

9. Use of Funds in Prosecution of Civil Actions Prohibited

Pursuant to the Suffolk County Code Section §590-3, Contractor represents that it shall not use any of the moneys received under this Agreement, either directly or indirectly, in connection with the prosecution of any civil action against the County of Suffolk or any of its programs, funded by the County, in part or in whole, in any jurisdiction or any judicial or administrative forum.

10. Suffolk County Local Laws

Suffolk County Local Laws, Rules and Regulations can be found on the Suffolk County website at <http://suffolkcountyny.gov/>.

End of Text for Exhibit B

**EXHIBIT C
Notices and Contact Persons**

1. Notices Relating to Payments, Reports, or Other Submissions

Any communication, notice, claim for payment, report, or other submission necessary or required to be made by the parties regarding this Agreement shall be in writing and shall be given to the College or Contractor or their designated representative at the following addresses or at such other address that may be specified in writing by the parties and must be delivered as follows:

For the College

Gail Vizzini
Vice President for Business and Financial Affairs
Suffolk County Community College
533 College Road, NFL 232
Selden, NY 11784-2899

For Contractor

At the address set forth on page one of this Agreement, attention of the person who executed this Agreement or such other designee as the parties may agree in writing.

2. Notices Relating to Insurance

Any notice relating to insurance necessary or required to be made by the parties regarding this Agreement shall be in writing and shall be given to the College or Contractor or their designated representative at the following addresses or at such other address that may be specified in writing by the parties and must be delivered as follows:

For the College

Louis J. Petrizzo
College General Counsel/Executive V.P.
Office of Legal Affairs
Suffolk County Community College
533 College Road, NFL230
Seiden, NY 11784-2899

For Contractor

At the Address set forth on page one of this Agreement, attention of the person who executed this Agreement or such other designee as the parties may agree in writing.

3. Notices Relating to Termination and/or Litigation

In the event Contractor receives a notice or claim or becomes a party (plaintiff, petitioner, defendant, respondent, third party complainant, third party defendant) to a lawsuit or any legal proceeding related to this Agreement, Contractor shall immediately deliver to the College General Counsel and the County Attorney, at the addresses set forth below, copies of all papers filed by or against Contractor.

Any communication or notice regarding termination shall be in writing and shall be given to the College or Contractor or their designated representative at the following addresses or at such other addresses that may be specified in writing by the parties and must be delivered as follows:

For the College and the County:

Louis J. Petrizzo
College General Counsel/Executive V.P.
Office of Legal Affairs
Suffolk County Community College
533 College Road, NFL-230
Selden, NY 11784-2899

and

Suffolk County Attorney
Suffolk County Department of Law
H. Lee Dennison Building
100 Veterans Memorial Highway
Hauppauge, NY 11788-5402

For Contractor:

At the address set forth on page one of this Agreement, attention to the person who executed this Agreement or such other designee as the parties may agree in writing.

Notices for all parties (except those related to termination or litigation) should be delivered by first class and certified mail, return receipt requested, in a postpaid envelope or by courier service, or by fax or by email.

Notices related to termination or litigation should be delivered by first class and certified mail, return receipt requested, in a postpaid envelope or by nationally recognized courier service or personally and by first class mail.

Notices shall be deemed to have been duly delivered: (i) if mailed, upon the seventh business day after the mailing thereof; or (ii) if by nationally recognized overnight courier service, upon the first business day subsequent to the transmittal thereof; or (iii) if personally, pursuant to New York Civil Practice Law and Rules Section 311; or (iv) if by fax or email, upon the transmittal thereof. "Business Day" shall be defined as any day except a Saturday, a Sunday, or any day in which commercial banks are required or authorized to close in Suffolk County, New York.

Each party shall give prompt written notice to the other party of the appointment of successor(s) to the designated contact person(s) or his or her designated successor(s).

End of Text for Exhibit C

**EXHIBIT D
Description of Services
Scope of Work**

Suffolk County Community College requires the services of a qualified Consultant to provide services in connection with the audits of its general purpose financial statements and for Single Audit of Federal Awards (OMB Circular A-133). Audit services will be for a three-year period for the fiscal years ending August 31, 2018, 2019, 2020, and the services may, upon mutual agreement by the College and the Consultant, be continued for three (3) additional one-year terms.

The College has a Central Accounting Department responsible for general ledger maintenance and financial reporting, and each Campus has a Business Office responsible for the intake of student tuition and fees. The College uses the modules available in Ellucian Banner for Finance functions, which include tracking fixed assets and calculating depreciation expenses; Student Accounts and Student Financial Aid; and HR/Payroll functions.

The College prepares draft Statements of Net Position, Statement of Revenue, Expenses and Changes in Net Position, and requires that the Consultant prepare the Statement of Cash Flows. A trial balance is provided by the College for the Plant Fund to assist with incorporating the activity from capital project activity into the financial statements. The College provides supplemental information required to update recurring notes to the financial statements and will work with the Consultant to prepare any new notes that may be required.

The College also has a Central Financial Aid Office responsible for disbursing aid to all College students, with each Campus having a financial aid office that assists with the disbursement process. The College also prepares a schedule of expenditures of federal awards.

I. Scope of Services

A. General Requirements:

1. The audit shall consist of the review of the internal controls and accounting procedures, and of the details of records including subsidiary records and supportive data as to legality, mathematical accuracy, propriety, and completeness of all transactions.
2. In addition to auditing services, the Consultant may be required to provide the College with assistance in certain accounting and reporting questions throughout the year, as well as with the implementation of new GASB pronouncements.
3. The Consultant shall submit final reports directly to the Board of Trustees of the College. The Consultant may be asked to attend Board meeting(s) and address any questions or concerns posed by the Trustees.

B. General Purpose Financial Statement Audit and OMB Circular A-133 (Single Audit):

The Consultant will be required to perform the following functions:

1. Determine whether the financial statements of the College present fairly, its financial position, and the results of its operations in accordance with Generally Accepted Accounting Principles (GAAP) as of August 31 for each year ended, as identified.
2. Determine whether management assertions regarding economic actions and events embodied in the financial statements are verifiable, properly classified and disclosed.
3. Determine the extent to which management assertions on the financial statements conform to established criteria, standards, rules, regulation, and applicable statutes.
4. Communicate the Consultants' conclusions to the Board of Trustees, in the form of an independent auditor's report as of the year ended in each of the fiscal years identified.
5. Communicate the Consultant's conclusions to the Board of Trustees, in the form of a management letter, any existing material weaknesses in the accounting, fiscal procedures, and/or internal controls, as well as any other matters that may come to their attention, together with any recommendations for corrections or improvements.
6. Single Audit Objectives
 - a) Determine whether the College has internal accounting and other control systems in place to provide reasonable assurance that it is managing its Federal awards in compliance with applicable laws and regulations.
 - b) Determine whether the College has complied with laws and regulations that may have a material effect on its financial statements, and on each major Federal award program, as defined in OMB Circular A-133.
7. Audit Completion (College Operations)

The audit opinion must be dated on or before January 31, 2019 for financial and single audit work. This is a mandatory completion date for the fiscal year ending August 31, 2018. For each additional fiscal year covered by this proposal, the opinion date will be on or before January 31 following the end of the fiscal year under audit.

8. Audit Requirements

The financial statements audit and the Single Audit will be conducted in accordance with:

- a) Generally Accepted Government Auditing Standards
- b) Generally Accepted Auditing Standards
- c) The American Institute of Certified Public Accountant's Industry Audit Guide
- d) Audits of Colleges and Universities (the "Audit Guide")
- e) OMB Revised Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations

9. At a minimum, the audit of the College's financial statements shall result in the following:

- a) An independent auditor's report and opinion as to the fairness with which the financial statements present the institution's financial position as of August 31 of each fiscal year.
- b) Additionally, the auditor's report of opinion shall indicate whether any supplemental information included as part of the basic financial statements are fairly stated in all material respects in relation to the basic financial statements.
- c) Audited financial statements which consists of the following: a Statement of Net Position as of year-end and the related Statements of Revenues, Expenses and Changes in Net Assets; a Statement of Cash Flows for the years then ended; and any other statements as may be required.
- d) A management letter identifying any existing material weaknesses in the accounting, financial procedures, and/or internal controls, and any other matters that may come to the auditors' attention, together with any recommendation for corrections or improvements.

10. At a minimum the Single Audit shall result in the following:

- a) A written report on compliance with requirements in accordance with OMB Circular A-133
- b) A written report on internal control over compliance.
- c) A schedule of findings and questioned costs.
- d) A summary schedule of prior audit findings.

11. Audit Reporting

- a) The Consultant shall provide an electronic copy of the audited financial statements, the Single Audit report, and the College's management letter.
- b) The Consultant shall submit up to 25 bound copies of the audited financial statements and Single Audit reports.
- c) The Consultant shall submit up to 25 copies of the College's management letter.
- d) All reports shall be delivered to the College in accordance with the audit process schedule agreed upon by the College and the Consultant.

12. Audit Work Papers

- a) At the conclusion of the audits, the Consultant shall meet with the College to review the audit reports, the management letter, and/or discuss other comments or suggestions, and any other findings. Findings of material weaknesses, qualifications of the auditors' reports and defalcations shall be communicated in writing. The written communications shall include any responses or other comments as deemed necessary and/or appropriate by the College's management or its Board of Trustees. During the course of the audits, the Consultant shall meet regularly with the appropriate management team member to review the status of the audit.
- b) If requested, audit work papers shall be made available to the College following completion of the audit.

C. Other Required Services

As a part of providing on-going professional services to the College, the Consultant shall be required to provide a timely written description of changes in rules and reporting requirements under GAAP, OMB circular A-133, GASB pronouncements and/or other applicable regulations occurring during the contract period and the impact thereof, if any, to the College.

To enhance the effectiveness of the College's management team, the Consultant shall also provide current information on prevailing industry practices through mailings of technical material and other publications as appropriate.

II. Schedule

The College's Schedule under this Agreement for the 2017-18 fiscal year audit is as follows:

- Audit Planning September/October 2018
- Major Field Work October/November 2018
- Draft Report December 2018
- Final Audit Report January 2019
- Board of Trustees Presentation (if required) February 2019

The College may adopt an alternative schedule, if appropriate, in collaboration with the Consultant

End of text for Section III

IV. a. Understanding of Project Requirements, Management Techniques and Approaches

Background and Understanding

Suffolk County Community College ("the College") seeks a CPA firm to provide financial audit services. These services would be for the fiscal years ending August 31, 2018 – 2022. Bonadio is extremely pleased to have the opportunity to provide these services.

Based on our experience providing accounting services to a variety of colleges and universities, we have developed an understanding of your issues and needs, including:

- Personalized and responsive service.
- Increased interaction with our most experienced personnel, our partners and principals.
- Completion of audits in a timely and cost effective manner.
- Maximizing value for fees paid.

We are particularly sensitive to your need to maintain the highest possible quality of services and deliverables, yet we understand that cost is an issue. Our proposal is organized to show you that we can deliver the highest quality and a diverse scope of services at reasonable fees.

*Overall, our objectives are to:
(1) affirm our ability to provide auditing and tax services; (2) demonstrate our depth of experience and capabilities and (3) provide the resources and expertise to help you achieve your objectives*

In addition to a proven approach to the scope of work and what a competitive fee structure, there are five key reasons, why the College and its affiliated entities should engage Bonadio. They are:

1. The relevant experience and expertise of our firm and proposed project staff
2. Our integration of information technology professionals in our team
3. The firm's experience with tax-exempt organizations and governments
4. The firm's experience, expertise and knowledge of colleges and universities
5. Our effective communication including the use of myPortal

Our success in serving the College will be a function of our standards of quality and responsiveness; the scope, breadth and integration of services we can deliver; and the combination of management and staff expertise that we bring. These attributes differentiate us from other firms. Ultimately, we want the College to view us as a business asset, not an overhead cost.

Core Services - Audit

Bonadio will perform an audit of, and report on, the financial statements and related footnotes of the College, the Foundation and the Association. This requires a well-managed and coordinated audit plan.

The objective of our audit is to express opinions on whether the financial statements are presented fairly in accordance with the generally accepted accounting principles pertinent to the particular organization. Our audits will be performed in accordance with auditing standards generally accepted in the United States and in accordance with *Government Auditing Standards*, as applicable.

Bonadio proposes to complete your audit in a timely and responsive fashion, with fieldwork scheduled at your convenience. **All deliverables will be completed in accordance with your specified timelines.**

IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

Audit Approach

Our approach is designed to provide you with efficient, high quality service at a reasonable cost.

In order to accomplish these objectives, we emphasize effective planning on each engagement. Planning is performed well before year-end and includes:

1. Review of any issues that may be pending related to accounting or financial reporting matters;
2. Review of current year interim results of operations, current year budgets, and enrollment projections;
3. Review of changes in information systems and processing routines
4. Based on the results of our planning, we will provide you with a list of information that will be required in order to complete the audit. This is done before fieldwork begins to give you sufficient time to gather the information.

We will perform an interim audit procedure to reduce time at year-end, if considered necessary. This information is discussed with you in advance and is used as the basis to target our work to high-risk areas. It also allows us to identify issues at the beginning of our work, prior to year-end. This approach will provide the opportunity for you to address issues while action is still possible.

Our overall audit approach is to focus our audit efforts on the most significant and material areas. Our objective, of course, is to develop sufficient evidential matter to support our opinion without becoming too granular, or by misdirecting audit activities on insignificant or immaterial accounts.

Overview of Our Audit Approach

Perform General Planning and Identify Areas of Audit Significance

- Establish client service and other planning objectives
- Obtain an understanding of the Agency's business
- Perform overall assessment of the control environment
- Make preliminary judgments regarding materiality
- Determine significant accounts or groups of accounts
- Identify the sources of information that affect these accounts
- Prepare the audit-planning memorandum
- Determine appropriate timing for performing each phase of the audit

Understand and Evaluate the Significant Sources of Information

- Identify the significant information and data processes
- Gain an understanding of the processes
- Consider what could go wrong (i.e., the types of errors)
- Identify and evaluate the relevant internal controls

Perform Risk Assessments

- Assess the likelihood of errors of audit significance in related accounts

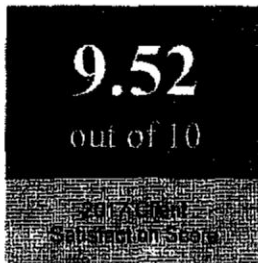
Develop and Execute Audit Plan

- Develop the audit approach including timing and scope of work for each significant account or group of accounts
- Prepare programs for tests of controls and substantive tests
- Perform tests of the relevant controls
- Perform substantive tests of account balances
- Make final evaluations based on the results of the tests

IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

ERM Regulatory Compliance Capabilities and Qualifications

Bonadio's ERM practice began over a decade ago with a dedicated ERM team who had responsibility for developing COBIT- and COSO-based work products and audits for SEC/SOX filers. From that point until now, the division has grown dramatically, and while we still service multiple SOX clients, that time and our experiences have allowed us to add and develop internal and external consulting and risk assessment services covering all industry types, process phases, and regulatory controls, and to meet the best practices of internal governance needs for clients of all sizes. Bonadio's entire team of professionals is located in Upstate New York; however, our ERM team performs services throughout the US. We provide co-source and independent risk assessment, compliance management, and internal and external audit services for multiple healthcare providers, payers, community service organizations, and business associates. Over the years, the IT/IS audit team has helped hundreds of companies design, audit, assess, and improve their internal control environments.



We currently are engaged with multiple higher education, health systems, payers, and service organizations and their vendor organizations, with assets ranging from \$10 million to over \$3 billion, where we perform work in connection with a risk management program, student financial aid, HIPAA Risk Assessment, IT/IS audit, internal and external audit, advisory, compliance, security trainings, breach reporting,

Management Letter

An integral part of each engagement is the preparation of a management letter. This separate report analyzes your operations both financially and operationally, highlights suggestions designed to improve controls, create operating efficiencies, and to improve the College's operating results. We will devote a significant amount of time preparing this report combining our knowledge of your operations with our business experience. We will meet with you to review this report and then work with you to implement change. **Financial statements, management letters, and all other presentation materials are reviewed with management prior to finalization in order to ensure that all information is accurate.**

After a significant investment, Bonadio has implemented systems and procedures that make efficient use of technology as part of the audit process. Our "paperless" audit environment (ProSystems Fx Engagement) allows us to use the information that you provide in electronic format to minimize the time and cost to you of having to provide paper copies of data. This process maximizes efficiency by allowing us to share information with our clients over a secure network, turning any distance issues into non-issues. The use of technology in the audit process saves our clients and us time, money, and resources.

We also subscribe to several on-line research tools that provide us with real time access to accounting pronouncements, professional standards, and regulatory information related to audit, accounting, regulatory, and tax matters.

IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

Audit Work Plan

The following timeframe ensures year-round communication, significant partner/principal/manager involvement, and sufficient hours to fulfill your needs and expectations. This timeframe would be the typical schedule that we would utilize, subject to management's approval.

Upon Appointment – Preliminary Procedures

Bonadio will:

- Conduct meetings with the College's management to further clarify audit process and timing and management needs and expectations.
- Understand, assist, prioritize, and plan for current-year issues affecting the College and its affiliated entities:
 - Impact of new and proposed accounting standards
 - Regulatory developments
 - Industry developments
- Prepare engagement letters.
- Arrange for and complete our review of prior auditors' audit files to gain perspective on potential issues and historical background.
- Gather and review permanent file documents, including organizational charts and procedural manuals.
- Develop a summary of audit requirements and client assistance lists and post them to MyPortal.

September

- Complete review of internal accounting controls and operating, financial, information systems, and compliance processes.
- Complete detailed audit plan for the College.
- Review the work plan and discuss sample size and selection methodology for Uniform Guidance testing and then perform testing.
- Meet with management and respective Finance and Audit Committees/Boards, as deemed appropriate, to review audit strategy and timing.
- Prepare confirmations.

October/November/December

- Perform interim testing of significant College systems, as considered necessary.
- Perform student financial aid testing.
- Perform and complete year-end fieldwork for the College.
- Perform quality assurance review for the College.
- Present draft report

January

- Finalize audit reports on financial statements, management letter, and financial highlights for the College and review with management.
- Review audit results with the College's Finance Committee and Board of Directors.
- Process Data Collection Form for the College.
- Meet with the College's management to discuss service and review the "measured value" against needs and expectations in the client service plan.

IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

Audit Work Plan (continued)

February

- Board of Trustees Presentation (If necessary)

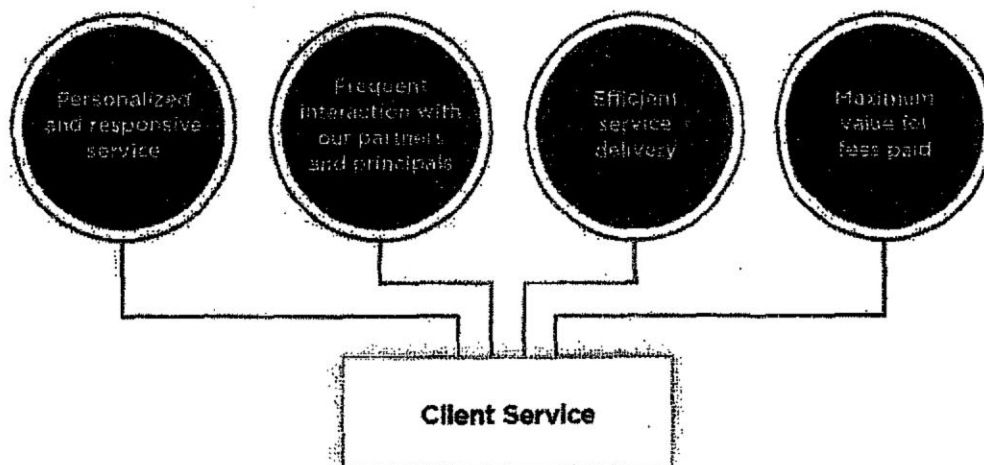
April

- Quarterly update meeting with management.
- Identify and discuss planning opportunities for following year audit.
- Assess impact of new accounting standards, as appropriate.

Communication

In order to properly serve our clients, we need to know what the issues affecting them are. We realize, however, that clients are sometimes hesitant to call us as they are afraid they will be "nickel and dimed" with fees for these services. To encourage regular contact with our clients, we offer ongoing support throughout the year. Because we will provide ongoing access to the accounting, auditing, and business advice you need on a fixed-price basis, you need not feel inhibited from seeking timely advice for fear of "the meter endlessly running." We want to offer you access to the accumulated wisdom of our firm through CPAs that have substantial college and university experience who can help you achieve your financial goals.

While the fixed-fee audit provides the College with unlimited consultation with us, if your question or issue requires significant additional research and/or analysis beyond the phone conversation and minor research, this additional work may be subject to an additional price negotiation prior to the additional services being performed. We would discuss this with you in advance, to ensure there was a clear understanding of the services intended.



IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

Assessing Control Risk in a College and University

In developing our audit approach, we will gain an understanding of the key controls, including entity level controls, information technology controls, and monitoring controls over financial reporting, as well as operational activity and the strategic issues affecting the College and its affiliated entities. Our approach is based on our significant knowledge of, and experience with, the college and university sector in New York.

We use a "top-down" approach and we will begin by gaining an understanding of management's, the Finance Committee's, and the Board of Trustees' attitude, awareness of and actions concerning, internal control.

High		Moderate		Low
Existence	Completeness	Valuation	Rights and Obligations	Presentation and Disclosure

Significant transaction cycles in a college and university include tuition revenue and receivables, purchasing and payables, payroll and human resources, facilities, equipment and other assets, and student financial aid.

For each significant transaction cycle, we will determine the control objectives and the control activities associated with that cycle in order to determine the extent of auditing procedures necessary for expressing our opinion on the financial statements.

We will perform "walk-throughs" of key controls in order to ensure that our documentation and understanding of the process is accurate. We will also perform a general controls review of information technology (IT) which includes an assessment of the policies and procedures related to cyber security.

Proposed Segmentation

Our audit work plans are not specifically assigned to staff levels, as we do not operate on a rigid platform. Our consideration of audit "segmentation" is dependent upon our assessment of risk for each segment being audited and as such cannot be predicted. Riskier audit areas are assigned to our most experienced personnel. In general, the senior and staff accountants perform audit fieldwork. The manager and the partner then review all fieldwork. Technical matters will be handled by the partner and manager.

Sampling Procedures

Determining sample sizes in an audit is a matter of professional judgment. Factors that affect sample size include the population of the items tested and the audit risk associated with that particular attribute. Control sampling differs greatly from substantive testing (i.e., tests of balances). Tests of controls utilize a statistical model that relate to risk and population size. Tests of compliance generally require selections ranging from 25 to 60 items from that particular population. In many instances, a population of items may be tested for several control attributes within the same sample. We believe that our expertise in governmental auditing and the utilization of technology such as random number generators, and data extraction software, allows us to select a highly representative sample while keeping sample sizes low

IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

Extent of Use of Audit Software

Bonadio uses a number of technology tools to streamline the audit process and to enhance service efficiency. The following are some of the ways that we enlist the power of information technology on a daily basis:

- **Checkpoint library:** a state-of-the-art library of technical accounting and auditing information, which significantly reduces research time in the field and facilitates the appropriate interpretation of even the most obscure accounting/auditing issues. All of our profession's technical auditing and accounting pronouncements are available on-line and are maintained up-to-date with this service.
- **Practitioners Publishing Company (PPC) auditing:** provides guidance, programs and practice aids to help minimize risk with on-line, state-of-the-art practices and proven, replicable processes.
- **ProSystems Engagement:** Fully integrated electronic workpapers.
- **Data extraction software (IDEA) applications:** This product allows for efficient analysis and sampling.
- **Microsoft Office:** This full suite of products is used throughout our firm.

Analytical Procedures

Bonadio uses analytical procedures extensively. A preliminary analytical review of trends in your financial data is a critical component of our approach to audit planning. In addition, analytical reviews, when coupled with an appropriate risk assessment, are often used to reduce the required amount of additional substantive testing that is performed. Finally, Bonadio uses analytical analysis and benchmarking in the highlights material that we present at the Board level.

Internal Controls

A risk-based audit requires that each audit be planned and performed in a manner that, in the judgment of the auditor, reduces audit risk to an acceptable level to allow the auditor to gather sufficient evidence that will support their opinion as to whether or not the financial statements are fairly stated in all material respects. This requires that each audit be planned and performed in a manner that will best support the approach for that specific auditee in that specific audit period. Therefore, each year, the College's and its affiliated entities' key controls will be accessed through review of policies, inquiries of staff, and a walk-through or a test of a sample of transactions to determine that the controls are operating properly. The key to efficient testing is to limit our analysis to key controls, which if not operating, could lead to a material misstatement of the financial statements.

IV. a. Understanding of Project Requirements, Management Techniques and Approaches (continued)

Approach to be taken in determining laws and regulations that will be subject to audit work

To obtain reasonable assurance that the College's financial statements are free of material misstatements, we will perform tests of its compliance with certain applicable provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

A significant part of our OMB Uniform Guidance audit is focused on compliance with Title IV rules and regulations. It is expected that the federal compliance supplement will include special tests in 2018 related to student information security (compliance with Gramm-Leach-Bliley Act). Our IT experts have already begun assisting our other colleges. We are better positioned than any other firm to assist you with this new requirement in 2018.

In addition, we discuss compliance with a variety of laws and regulations including HIPPA, PCI, The Teach Act, Red Flag Rules, in performing our IT general controls review.

Auditing Information Systems and Technology

Bonadio will use information systems and technology experts to evaluate the nature and complexity of the systems in place, the uses of information technology (IT), and the control structure surrounding information technology systems by which the College and its affiliated entities process and control information supporting the financial assertions.

In all audits, we obtain an understanding of the internal controls sufficient to gain an understanding of the control's design relevant to an audit of the financial statements, and then we determine whether they have been effectively placed into operation. In obtaining this understanding, Bonadio considers how an entity's use of IT may affect those controls that are relevant to the audit. We then assess the control risk for those assertions embodied in the IT enterprise as part of the components of the financial statements. More information on how we use Technology in our audits is in the attachments.

Ongoing Communication

In addition to annual meetings with the Board of Directors, Tim Doyle will meet with management on a quarterly basis in order to alert management to new accounting and auditing standards, developments with SUNY and the state Budget, and other industry trends in order to stay abreast of issues and events affecting the College.

All of the members of our engagement team are available to all of the members of your management team on an as-needed basis. We expect that you will view us as business partners and that you will keep us apprised of any significant events affecting the College. We encourage ongoing communication; it is our policy to return phone calls and e-mails within a 24-hour timeframe.

Since Bonadio has no national office hierarchy to contend with, any technical questions requiring consultation can be dealt with here in our local offices. If necessary, the engagement principal will discuss technical issues with the advisory partner or our quality control professionals, as well as other members of our college and university team, as appropriate. The engagement principal has final authority, however, regarding technical decisions.

IV. b. Anticipated Issues and Resolution

Identification of Anticipated Potential Audit Problems

We take a proactive approach in planning our audit to reduce potential problems. We work backwards from the date you require the financial statements to determine fieldwork timing. During our planning phase, we will provide you with a client assistance letter that will detail the information we will require. As issues arise, we will keep you informed of additional information we may need. Our goal is to complete our audit in a timely, efficient manner, while also being as non-disruptive to your day-to-day operations as possible.

Based upon our existing relationship with the College and other due diligence performed in preparing our proposal, we do not anticipate any significant issues in completing your audit.

**EXHIBIT E
Payment Terms and Conditions**

1. General Payment Terms

- a.** Contractor shall prepare and present an invoice to the College for payment by the College. Invoices shall be documented by sufficient, competent and evidential matter. Payment by the College will be made within thirty (30) days after approval by the College.
- b.** Contractor agrees that it shall be entitled to no more than the fees set forth in this Exhibit E for the completion of all work, labor and services contemplated in this Agreement.
- c.** The charges payable to Contractor under this Agreement are exclusive of federal, state and local taxes, the College being exempt from payment of such taxes.
- d.** The acceptance by Contractor of full payment of all billings made on the final approved under this Agreement shall operate as and shall be a release to the College and/or County from all claims and liability to Contractor, its successors, legal representatives and assigns, for services rendered under this Agreement.

2. Agreement Subject to Appropriation of Funds

This Agreement is subject to the amount of funds appropriated and any subsequent modifications thereof and no liability shall be incurred by the College and/or the County under this Agreement beyond the amount of funds appropriated for the Services covered by this Agreement.

3. Limit of College's Obligations

The maximum amount to be paid by the College as set forth on the cover page of this Agreement shall constitute the full obligation of the College in connection with this Agreement and any matter arising therefrom.

4. Specific Payment Terms and Conditions

See ATTACHMENT 1, Contractor's Cost Proposal, annexed hereto.

Cost Proposal

Contract No.: 24-CC-004

ATTACHMENT 1

V. Cost proposal

Specific Payment Terms and Conditions

Value Pricing

The College is seeking the highest level of service at a reasonable price. We have learned over the years that pricing of services and comparing apples to apples can be difficult when evaluating service promises from different firms. Below, we have attempted to capture the value that we the Bonadio Group bring to our clients at three different levels of service. In establishing the cost of services, we have estimated the number of hours to be devoted to the engagement, times the hourly rates of the individuals assigned and the timing of the work.

Our professional fees are structured to provide you the level of service you desire and have grouped these services into three different value pricing options, "Bronze, Silver, and Gold". Our "Bronze" package includes the minimum elements outlined in your Request for Proposal within your timeframe that meets the professional standards. However, we understand that there may be additional services that the College desires from a full-service firm with our depth of expertise that we possess. That is why we have offered the Silver and Gold value options. This allows us to offer customizable service packages that meet all compliance requirements and add value how and where you want it.

The Silver package is representative of your current service.

Our Value Pricing grid is presented below.

Recurring Annual Services	Gold	Silver	Bronze
Perform an Audit of financial statements of the College in accordance with the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, Financial Statements of the College	✓	✓	✓
Perform Federal Single Audit in accordance with Uniform Guidance	✓	✓	✓
Perform limited review of IT Control Environment by IT professionals	✓	✓	✓
Independent Auditors Report on financial statements for SUNY reporting compliance requirements	✓	✓	✓
Assist in Preparation of Financial Statements	✓	✓	✓
Tax related research	✓	✓	✓
Preparation of Management Letter	✓	✓	✓

Cost Proposal

Perform review of IT Control Environment by IT professionals related to standards proposed under new Gramm Leach Bliley requirements	✓	✓	
Audit Committee Presentation of Audit Results for Financial Statement Audit	✓	✓	
Subscription to Industry Newsletters and Attendance at Educational Events	✓	✓	
Unlimited Support for Questions Less than One Hour	✓	✓	
New Accounting Standard Implementation Support	✓	✓	
Strategic Advice on Implementation of Policies over Governance, Financial Reporting and Internal Controls	✓		
Use of offsite staff on engagement for approximately 35% of audit hours			
Required completion of template audit workpapers such as cash and collateral, FTE state aid calcs etc. by College personnel			
Audit Committee Highlight and Benchmarking Presentation Package	✓		
Annual Industry Update Presentation to Board of Trustees	✓		
Detailed Assessment of IT Staffing, Resources and Controls	✓		
Onsite Industry and Accounting Update for the College's Finance staff	✓		
Quarterly Meetings with Management	✓		
	\$74,000	\$62,000	\$58,500

Cost Proposal

Contract No.: 24-CC-004

V. Cost proposal (continued)

As stated in our cover letter, we want to bring the College a better audit experience and we feel we are the best firm to do that. As part of that better experience, we want you to experience more value for the fees that are charged. In the chart below, we summarize your scope of services requested and the additional value we bring to enhance your overall audit experience. We are confident that only Bonadio can bring this level of value to you.

Included in Fee	Bonadio	Others
Audit of College Financial Statements and Uniform Guidance	✓	✓
The experience and synergy of also performing audits on your;		
Suffolk County Community College Association, Inc.	✓	No
Suffolk County Community College Foundation, Inc.	✓	No
Meetings with Management, the Audit Committee and Board	✓	Maybe
Information Technology Risk Assessment by IT experts	✓	No
Client Portal - myPortal	✓	No
Experience with 12 NYS Community Colleges	✓	No
Unlimited Phone Consultation	✓	No
Dedicated and Experienced Higher Education Team	✓	No
Two-partner level personnel assigned to engagement	✓	No
Proactive Audit Software	✓	Maybe
Attendance at CCBOA, EACUBO and NACUBO	✓	No

Our dual objective is to provide the College with professional services at a reasonable cost, while complying with the highest professional standards. In establishing the costs of services to be billed, we estimate the number of hours to be devoted to the engagement times the hourly rates of individuals assigned to the engagement based on their estimated level of involvement.

The Table on the preceding pages provides optional pricing at Gold, Silver and Bronze levels. **Bonadio's official bid is represented at the Silver level.** The fee quotes for each of the next years is as follows:

2018	\$62,000
2019	\$63,850
2020	\$65,800

The fee quoted is based on the anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant events occur which change the level of effort required to complete your audit (i.e., changes in the College's key personnel, significant expansion in services, etc.), we will discuss with you the need for a revised fee estimate and agree on an appropriate amount with you. Our fee is quoted at the Silver level as shown in the preceding pages as we feel that is the best value for the services outlined in your proposal. We have also quoted prices as the Bronze and Gold levels that correspond to the chart on the preceding pages offering different service offerings. The Silver level quoted fee represents a 6.7% decrease in your prior year fee.

V. Cost proposal (continued)

Out-of-Pocket Expenses

All out-of-pocket expenses incurred by Bonadio are included in the quoted fee for each year.

Rates for Additional Professional Services

If it should become necessary for the College or its affiliated entities to request Bonadio to render any additional services to either supplement the services requested in this Request For Proposal or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the College and Bonadio. Any such additional work agreed to between the College and Bonadio shall be performed at the same rates set forth in the schedule of hourly rates included in the dollar cost proposal.

Timothy J. Doyle, CPA, Partner, is entitled to represent the Firm, empowered to submit the bid, and authorized to sign a contract with Suffolk County Community College (the College).

**Suffolk Community College
Schedule of quoted rates for FYE 2018 Audit**

Level	Standard rate	Quoted rate
Partner	295	185
Manager	205	145
Senior Staff	175	125
Junior Staff	155	95

Note: the column for quoted rates represents our rates for additional services and the rates used in determining our fee quote in our submitted proposal.

**EXHIBIT F
College's Request for Proposals**

The College's Request for Proposals (RFP) for Services in connection with Annual Accounting and Auditing Services, advertised June 14, 2018, together with all Addenda thereto, is incorporated herein by reference.

End of Text for Exhibit F

**EXHIBIT G
Contractor's Proposal**

Contractor's Proposal submitted July 11, 2018, in response to the College's RFP, is incorporated herein by reference.

End of Text for Exhibit G