

## COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter “County”) and:

Crowe LLP

(hereinafter “CONTRACTOR”).

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

### 1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

**Provide:** Perform as-needed financial audits, performance audits and/or consulting services.

### 2.0 PAYMENT PROVISIONS:

~~County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: \$~~

### 3.0 TERM OF AGREEMENT:

**3.01** The term of this Agreement is from Date of Execution by County; County signing last to March 31, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

**3.02** The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

### 4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

**Exhibit A Scope of Services/Payment Provisions**

**Exhibit B Other:** Request for Qualifications #10866: Audit & Consulting Services Pool

Exhibit C: Sample/Template Task Order

Exhibit D: Sample/Template Task Order Solicitation

Crowe LLP

Date of Execution by County to 3/31/28

## 5.0 PERFORMANCE STANDARDS:

5.01 ~~CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.~~

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5.02 ~~CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.~~

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5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## 6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

## 7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02 ~~The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.~~

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

## 8.0 INDEMNIFICATION:

~~CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.~~

## 9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** ~~Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.~~

~~This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.~~

9.02 **Qualifying Insurers:** All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

- 9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

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**Commercial General Liability Insurance:** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Requestor must check the appropriate Automobile Insurance Threshold:**

Requestor must check the appropriate box.

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**Agreement Under \$100,000 Business Automobile Liability Insurance:** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

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**Agreement Over \$100,000 Business Automobile Liability Insurance:** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Workers' Compensation Insurance:** if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

*(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Professional Liability Insurance:** if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail

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~~coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.~~

~~(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)~~

#### 9.04

#### **Other Requirements:**

~~All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.~~

~~Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.~~

~~**Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds** with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02-99.~~

~~Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of~~

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~~this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.~~

## 10.0 **RECORDS AND CONFIDENTIALITY:**

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

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BN 10.2 **County Records:** ~~When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.~~

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BN 10.3 **Maintenance of Records:** ~~CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.~~

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BN 10.4 **Access to and Audit of Records:** ~~The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.~~

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BN 10.5 **Royalties and Inventions:** ~~County shall have a royalty free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.~~

## 11.0 **NON-DISCRIMINATION:**

11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and

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treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

## 12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

## 13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.1 ~~CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.~~

13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

## 14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

## 15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
James Lam, Chief Deputy Auditor-Controller	Bert Nuehring, Partner
Name and Title	Name and Title
168 W. Alisal Street, Floor 3, Salinas, CA 93901	Crowe LLP 400 Capitol Mall Suite 1400 Sacramento, CA 95814
Address	Address
(831) 755-5493 office	630-706-2071
Phone:	Phone:
	Copy to: Crowe LLP Attn: General Counsel One Mid America Plaza Suite 500 Oak Brook, IL 60181

## 16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** ~~The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.~~

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- 16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 16.09 **Time is of the Essence:** ~~Time is of the essence in each and all of the provisions of this Agreement.~~
- 16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.
- 16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

## 17.0 **CONSENT TO USE OF ELECTRONIC SIGNATURES.**

- 17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 *et seq.*; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this

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Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

## **17.2 Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

## **17.3 Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

\*\*\*\*\* THIS SECTION INTENTIONALLY LEFT BLANK \*\*\*\*\*

## 18.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

### COUNTY OF MONTEREY

By:

Contracts/Purchasing Officer

Date:

By:

Department Head (if applicable)

Date:

Approved as to Form  
Office of the County Counsel  
Leslie J. Girard, County Counsel

By:

Signed by:  
Stacy Saitta

County Counsel

Date:

7/7/2025 | 2:17 PM PDT

Approved as to Fiscal Provisions

By:

DocuSigned by:  
Patricia Ruiz

Auditor/Controller

Date:

7/7/2025 | 3:18 PM PDT

Approved as to Liability Provisions  
Office of the County Counsel-Risk Manager  
Leslie J. Girard, County Counsel-Risk Manager

By:

Risk Management

Date:

### CONTRACTOR

Crowe LLP

By:

Contractor/Business Name \*  
Bert Nuehring  
(Signature of Chair, President, or Vice-President)  
Bert Nuehring, Partner

Date:

Name and Title  
6/30/2025 | 2:24 PM EDT

By:

(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Date:

Name and Title

County Board of Supervisors' Agreement No. \_\_\_\_\_ approved on \_\_\_\_\_

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

<sup>1</sup>Approval by County Counsel is required

<sup>2</sup>Approval by Auditor-Controller is required

<sup>3</sup>Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

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## **ADDENDUM 1**

to Agreement ("Agreement")

by and between Crowe LLP ("CONTRACTOR"), and County of Monterey, on behalf of its Auditor-Controller's Office ("County")

This Addendum, dated as of the effective date of the Agreement, amends, modifies, and supplements the Agreement by and between CONTRACTOR and County. This Addendum has the full force and effect as if set forth within the Agreement. To the extent that any of the terms or conditions contained in this Addendum may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum shall take precedence and supersede the attached Agreement.

NOW, THEREFORE, CONTRACTOR and County agree that the Agreement service terms and conditions shall be amended, modified, and supplemented as follows:

1. Section 2.0, PAYMENT PROVISIONS. Section 2.0 is hereby deleted in its entirety and replaced with the following:

**"2.0 PAYMENT PROVISIONS:** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement."

2. Section 5.0, PERFORMANCE STANDARDS. Section 5.01 is hereby deleted in its entirety and replaced with the following:

**"5.01** CONTRACTOR covenants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County."

3. Section 5.0, PERFORMANCE STANDARDS. Section 5.02 is hereby deleted in its entirety and replaced with the following:

**"5.02** CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations and consistent with applicable professional standards. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements."

4. Section 7.0, TERMINATION. Section 7.02 is hereby deleted in its entirety and replaced with the following:

“7.02 The County may cancel and terminate this Agreement for good cause effective immediately to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration for any services not yet performed to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper.”

5. Section 7.0, TERMINATION. Section 7.04 is hereby added to this Agreement as follows:

“7.04 CONTRACTOR may cancel and terminate this Agreement for good cause, effective immediately, upon written notice to the County in the event the County does not cure such breach within thirty (30) days of receipt of such notice. “Good cause” includes any material breach of the terms of this Agreement by the County. The County shall remain responsible for the payment of all undisputed invoices for services performed and approved expenses incurred by CONTRACTOR prior to such termination.”

6. Section 8.0, INDEMNIFICATION. Section 8.0 is hereby deleted in its entirety and replaced with the following:

“8.0 INDEMNIFICATION:  
“CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys’ fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the terms and conditions of this Agreement and the negligent and intentional acts or omissions of CONTRACTOR.”

7. 9.01 Evidence of Coverage. Section 9.01 is hereby deleted in its entirety and replaced with the following:

“9.01 Evidence of Coverage: Prior to commencement of this Agreement, the Contractor shall provide a “Certificate of Insurance” certifying that coverage has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance certificate and required endorsements. This approval of insurance shall neither relieve nor decrease the liability of the Contractor."

8. 9.03 Insurance Coverage Requirements. Section 9.03 is hereby deleted in its entirety and replaced with the following:

**"9.03 Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

**Commercial General Liability Insurance:** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Requestor must check the appropriate Automobile Insurance Threshold:**  
Requestor must check the appropriate box.

☐ **Agreement Under \$100,000 Business Automobile Liability Insurance:** covering non-owned and hired vehicles used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

☒ **Agreement Over \$100,000 Business Automobile Liability Insurance:** covering non-owned and hired vehicles used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence."

**Worker's Compensation Insurance:** if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that*

*are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Professional Liability Insurance:** if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a “claims-made” basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage (“tail coverage”) with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

9. Section 9.04, Other Requirements. Section 9.04 is hereby deleted in its entirety and replaced with the following:

**“9.04     Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

The County shall be given notice by CONTRACTOR in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements. To the extent CONTRACTOR utilizes any subcontractors under this Agreement, CONTRACTOR will require such subcontractors to provide insurance meeting the parameters of this Agreement. The CONTRACTOR will also request that any such subcontractor provide the requisite certificate of insurance evidencing such coverage.

**Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds** with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within ten calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have thirty calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately."

10. Section 10.2, County Records. Section 10.2 is hereby deleted in its entirety and replaced with the following:

**"10.2 County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement. Notwithstanding, CONTRACTOR may retain any information required by applicable law, applicable professional standards, or by reason of the automated backup of its systems occurring in the ordinary course of business in accordance with its internal records retention policies."

11. Section 10.3, Maintenance of Records. Section 10.3 is hereby deleted in its entirety and replaced with the following:

**“10.3 Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of five years after the fiscal year they are produced. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the five-year period, then CONTRACTOR shall retain said records until such action is resolved.”

12. Section 10.4, Access to and Audit of Records. Section 10.4 is hereby deleted in its entirety and replaced with the following:

**“10.4 Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement. Unless otherwise required by federal, state, and County rules and regulations related to services performed under this Agreement, any such audit shall be conducted on mutually agreeable terms, shall be limited to invoicing and billing records. For the avoidance of doubt, in responding to any audit under this Section or this Agreement, CONTRACTOR shall have the right to provide summary level or redacted information to protect the confidentiality of CONTRACTOR, its clients, or other third parties, unless otherwise required by federal, state, and County rules and regulations related to services performed under this Agreement.”

13. Section 10.5, Royalties and Inventions. Section 10.5 is hereby deleted in its entirety and replaced with the following:

**“10.5 Ownership and Inventions:** Except as set forth in the applicable Scope of Services/Exhibit A, any deliverables, works, inventions, working papers, or other work product conceived, made or created by CONTRACTOR in rendering the Services under this Agreement (“Work Product”), and all intellectual property rights in such Work Product will be owned by CONTRACTOR. Nothing in this Agreement will be construed as an implied license to any intellectual property rights of one party to the other party, all such licenses, permission or uses will be expressly set forth in the Agreement or any applicable Scope of Services. The

foregoing ownership will be without any duty of accounting of one party to the other. CONTRACTOR will retain ownership of all materials owned by CONTRACTOR prior to entering into this Agreement or developed by CONTRACTOR independently of this Agreement.”

14. Section 13.0, COMPLIANCE WITH APPLICABLE LAWS. Section 13.1 is hereby deleted in its entirety and replaced with the following:

“13.1 CONTRACTOR and the County shall each keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.”

15. Section 16.06, Assignment and Subcontracting. Section 16.06 is hereby deleted in its entirety and replaced with the following:

“16.06 **Assignment and Subcontracting:** Neither party shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the other Party. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement, subject to the terms of this Agreement.”

16. Section 16.09, Time is of the Essence. Section 16.09 is hereby deleted in its entirety and replaced with the following:

“16.09 **Time is of the Essence:** Subject to the fulfillment by the County of all of its responsibilities and obligations under this Agreement and any Scope of Services, time is of the essence in each and all of the provisions of this Agreement.”

17. Section 17.0, CONSENT TO USE OF ELECTRONIC SIGNATURES. Section 17.4 is hereby added to this Agreement as follows:

“17.4 **No Third-Party Beneficiaries.**  
Nothing in this Agreement, express or implied, is intended or will be construed to confer upon any person other than the parties hereto any right, remedy or claim under or by reason of this Agreement.”

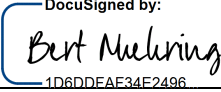
COUNTY OF MONTEREY (Customer)

Crowe LLP


Authorized Signature:

Authorized Signature:

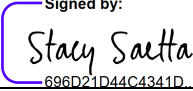
By: \_\_\_\_\_ Date: \_\_\_\_\_  
Contracts/Purchasing Officer

By:  6/30/2025 | 2:24 PM E  
1D6DDEAE34E2496 Date: \_\_\_\_\_  
Partner  
(Title of Signer)

Approved as to Fiscal Provisions:

By:  7/7/2025 | 3:18 PM PDT  
F79FF64E57454F6 Date: \_\_\_\_\_  
Auditor-Controller

Approved as to Legal Form:

By:  7/7/2025 | 2:17 PM PDT  
686D21D44C4341D... Date: \_\_\_\_\_  
County Counsel

Approved as to Liability Provisions:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Risk Management

## **EXHIBIT-A**

**To Agreement by and between  
Auditor-Controller's Office, hereinafter referred to as "County"  
AND  
Crowe LLP, hereinafter referred to as "CONTRACTOR"**

### **Scope of Services / Payment Provisions**

#### **A. SCOPE OF SERVICES**

**A.1** If selected to perform a specific as-needed audit or project, CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of one or more of the following as-needed services, as set forth below:

1. CONTRACTOR'S Financial Audits shall provide independent assessments of whether the audited entity's reported financial information (e.g., financial condition, results, and use of resources) is presented fairly, in all material respects, in accordance with recognized criteria. Besides financial statement audits, other financial audits could include auditing internal controls over financial reporting that is integrated with an audit of financial statements.
2. CONTRACTOR'S Performance Audits shall provide objective analysis, findings, and conclusions to assist management and those charged with governance and oversight with improving performance and operations (including financial operations), ensuring contract and regulatory compliance, enhancing internal controls, reducing costs, facilitating decision-making by parties responsible for overseeing or initiating corrective action, and contributing to public accountability. Examples of performance audits include program or operational audits, and contract or regulatory compliance audits.
3. CONTRACTOR'S Consulting Services shall cover a broad range of advisory and related client service activities, the nature and scope of which are agreed upon with the County, and which are intended to add value and improve the County's operations, management, and governance. Examples include attestations, agreed-upon procedures, business process mapping, non-audit reviews, benchmarking, strategic planning, facilitation, counsel and advice, audit/internal control training, special studies, and other subject-matter expertise and technical skills.

**A.2** If selected to perform a specific as-needed audit or project, CONTRACTOR shall produce specific deliverables in accordance with the agreed-upon schedule for the audit or project.

Deliverables for consulting services can come in a variety of formats, including written reports, other written documents, training, presentations, counsel, and facilitation.

Specifically for performance and other internal audits, according to internal auditing standards, there are five (5) elements of an audit finding essential to the planning, performing, and reporting on an audit. When applicable, CONTRACTOR's internal audit report shall address these five elements of a well-evidenced, transparent, and convincing audit finding.

- Criteria – Identify the standards, measures, or expectations used in making an evaluation and/or verification (the correct state or condition).
- Condition – Identify the problem or issue (the current state).
- Effect – Identify the risk or exposure because the condition is not consistent with the criteria.
- Cause – Identify the reason for the difference between the expected and actual
- Conditions.
- Recommendation – Identify how the Condition and Cause can be resolved.

Recommendations shall be practical and attainable within the environment in which the department must legally and realistically operate.

- CONTRACTOR shall identify additions to or shifting of resources.
- CONTRACTOR shall identify alternative procedures and controls that may be implemented in the interim until such additions to or shifting of resources can be affected.

All audit reports and/or other deliverables shall initially be submitted in draft form to the Auditor Controller's Internal Audit Division (IAD). All final audit reports and/or other deliverables shall be submitted to the IAD for transmission to the auditees and County stakeholders.

**A.3** Audits and consulting services shall be performed, when applicable, in accordance with the Governmental Accounting Standards Board's (GASB) Generally Accepted Accounting Principles (GAAP), Institute of Internal Auditor's International Professional Practices Framework (IIA-IPPF) and/or the U.S Government Accountability Office's Generally Accepted Government Auditing Standards (GAGAS).

**A.4** CONTRACTOR shall retain, at CONTRACTOR's expense, all working papers and reports for a period of five years after the fiscal year they are produced, unless CONTRACTOR is notified in writing by the County to extend the retention period. CONTRACTOR shall be required to make working papers available, upon request, to the following parties or their designees:

- Monterey County
- U.S. General Accounting Office (GAO)

- Parties designated by the federal or state governments or by the County as part of an audit quality review process
- Auditors of entities of which the County is a sub-recipient of grant funds
- Auditors of entities of which the County is a component unit

CONTRACTOR shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to any matters of continuing accounting significance.

- A.5** During the engagement, CONTRACTOR shall be available for any meetings necessary to discuss project status or progress, as well as draft reports, final reports and/or other deliverables.

## **B. PAYMENT PROVISIONS**

### **B.1 COMPENSATION/ PAYMENT**

This Agreement for as-needed audit and consulting services does not provide for any monetary liability. No guarantee of work is given or implied. This Agreement is not an exclusive service agreement, as the County has awarded multiple agreements with other qualified contractors to provide as-needed audit and consulting services.

- A Task Order (“Task Order”) will be issued against the Agreement when an audit or consulting service project is needed by the County. The awarded Task Order will have a value based on time and material costs as warranted by the project and will be subject to the terms and conditions of the Agreement.
- Only if a specific Task Order is agreed by CONTRACTOR to will the selected CONTRACTOR receive compensation up to the amount agreed upon in the Task Order, subject to a “not to exceed” Task Order amount.
- CONTRACTORS may be used for more than one project during each fiscal year on an as-needed basis.

For each project, the County shall prepare a Task Order Solicitation (“Task Order Solicitation”). A Task Order Solicitation is a request for a needed performance audit, financial audit or consulting service project.

- A Task Order Solicitation will contain the purpose, objectives, and scope of work for the desired project.
- The County will invite all CONTRACTORS on the appropriate list of successful CONTRACTORS to submit proposals in response to the Task Order Solicitation. The proposal shall include a project plan and approach, project steps or activities,

deliverables to be provided, project timeline, project team members, and sealed pricing or cost budget applying rates that do not exceed the agreed-upon rates.

- For each Task Order Solicitation, a selection committee will evaluate the submitted proposals and award the project to the firm whose proposal represents the best overall value to the County on the basis of experience, approach, qualifications and cost.

The County will negotiate the terms of the project with the firm deemed by the selection committee as most qualified and will determine whether the compensation to be paid the firm is fair and reasonable.

- Once an agreement is reached, a Task Order (“Task Order”) will be drafted to define the terms of the project. A Task Order is a supplemental document that stipulates the specific services to be provided under the contract.
- A Task Order shall include the statement of work, including the description of services, price, payment schedule, project and performance schedule and milestones, and deliverables, as well as any other terms and provisions agreed upon by both parties.
- No work is authorized until the COUNTY notifies the selected CONTRACTOR to proceed and both parties have fully executed a Task Order.

County shall pay the not-to-exceed amount for the performance of all things necessary for or incidental to the performance of work as set forth in the Task Order. CONTRACTOR’S compensation for services rendered shall be based on the following full-burdened rates:

Position/Title	Fully Burdened Hourly Rate(s)		
	Year 1	Year 2	Year 3
	<i>Date of County Execution (County Signs Last) – March 31, 2026</i>	<i>April 1, 2026 – March 31, 2027</i>	<i>April 1, 2027 – March 31, 2028</i>
Principal / Principal	\$500	\$525	\$550
Managing Director	\$440	\$460	\$480
Senior Manager	\$330	\$345	\$360
Manager	\$270	\$280	\$290
Senior Staff	\$245	\$255	\$265
Staff	\$195	\$205	\$215

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

## **B.2 CONTRACTORS BILLING PROCEDURES**

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

**DISALLOWED COSTS:** CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.