



DeWight Dopslauf, C.P.M., CPPO
Harris County Purchasing Agent

March 15, 2021

Commissioners Court
Harris County, Texas

RE: Job No. 150225

Members of Commissioners Court:

Please approve the attached Order(s) authorizing the County Judge to execute the attached First Amendment to the Agreement(s) for the following:

Description: Audit Services for Harris County, Harris County Flood Control District, Harris County District Clerk and County Clerk Registry Funds and Related Entities

Vendor(s): Deloitte & Touche LLP

Amount: \$ 710,000 previously approved funds for the term 12/01/2019 - 11/30/2020
668,000 additional funds for the extended term through 11/30/2021
\$1,378,000

Reviewed By: • Harris County Purchasing • Budget Management Department

The First Amendment provides for additional funds and extends the term of the Agreement. Purchase order(s) will be issued upon Commissioners Court approval.

Sincerely,

DeWight Dopslauf
Purchasing Agent

CAK
Attachment(s)
cc: Vendor(s)

FOR INCLUSION ON COMMISSIONERS COURT AGENDA MARCH 30, 2021

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN
HARRIS COUNTY, HARRIS COUNTY FLOOD CONTROL DISTRICT, AND
DELOITTE & TOUCHE LLP**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This amendment to the Agreement is made and entered into by and between Harris County (the “County”) and Harris County Flood Control District (the “District”), acting through its Harris County Budget Management Department (the “Department”) and Deloitte & Touche LLP (“Contractor”). The County, the District, and the Contractor are referred to herein collectively as “Parties” and individually as a “Party.”

Recitals

On August 9, 2016, the County, the District and the Contractor entered into an Agreement (the “Agreement”) to furnish auditing services for the County and the District in accordance with Request for Quotation “RFQ” 15/0225 (“Services”).

The Parties desire to amend that Agreement and extend the Agreement until November 30, 2021.

Terms

I.

The Parties agree to amend the terms of the Agreement attached hereto as Exhibit A and to extend the term until November 30, 2021.

II.

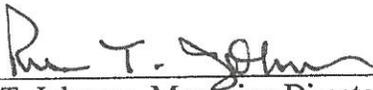
The County hereby appropriates Six Hundred Sixty-Eight Thousand and No/Dollars (\$668,000.00) to cover the full extended term and all amounts due for Services, also including any outstanding invoices covering Services prior to the date of approval of this amendment.

III.

Execution. Multiple Counterparts: This amendment may be executed in several counterparts. Each counterpart is deemed an original. All counterparts together constitute one and the same instrument. Each Party warrants that the undersigned is a duly authorized representative with the power to execute this amendment.

DELOITTE & TOUCHE LLP

HARRIS COUNTY, TEXAS and HARRIS
COUNTY FLOOD CONTROL DISTRICT

By: 
Ross T. Johnson, Managing Director

By: _____
LINA HIDALGO
COUNTY JUDGE

APPROVED AS TO FORM:
CHRISTIAN D. MENEFE
COUNTY ATTORNEY

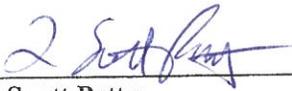
By: 
T. Scott Petty
Assistant County Attorney
C.A. File 21GEN0514

Exhibit A

Agreement between Harris County, Harris County Flood Control District and Deloitte & Touche
LLP

(follows behind)

AGREEMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This Agreement is made by and between Harris County, a body corporate and politic under the laws of the State of Texas ("the County"), the Harris County Flood Control District, a body corporate and politic under the laws of the State of Texas ("the District"), and Deloitte & Touche LLP, a limited liability partnership.

RECITALS:

County and the District desire Independent Audit Services starting with the fiscal year ended February 29, 2016 and the County developed a request for qualifications (RFQ) pursuant to the competitive bid laws (County Purchasing Act, Texas Government Code, §2254.004, *et seq.*, as amended)—County Purchasing Job No. 15/0225; and,

Deloitte & Touche LLP was selected to conduct an audit in accordance with the RFQ; and,

NOW THEREFORE, the County, District and the Deloitte & Touche LLP, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

1. *Definitions*

In this Agreement, the following words shall be defined as follows:

- a. "Clients" are the County and the District.
- b. "Client" is the County or the District.
- c. "County" is Harris County.
- d. "District" is the Harris County Flood Control District.
- e. "Independent Auditor" or "Contractor" is Deloitte & Touche LLP.
- f. "Parties" are County, District, and Independent Auditor.
- g. "Party" is County, District, or Independent Auditor.
- h. "Services" are the work, services, and tasks to be performed by Independent Auditor in accordance with this Agreement.
- i. "Working days" are days other than Saturdays, Sundays, and County, District and Independent Auditor holidays.

2. *Scope of Services*

- a. The Independent Auditor shall perform the Services as requested in the RFQ and in accordance with the specifications set forth in the RFQ. In the event of a conflict, the order of precedence shall be 1) this Agreement, 2) the Exhibits to this Agreement, and 3) the RFQ. Independent Auditor will perform the Services in accordance with the schedules in Exhibits A and B.
- b. The Independent Auditor shall deliver to County and District reports on the progress of its performances in accordance with the schedule, format, content and quantities set forth in Exhibits A and B.

- c. The Parties acknowledge that the objective of an audit carried out in accordance with the standards required hereunder are:
- To express an opinion on whether each opinion unit of the County and District basic financial statements, and the accompanying supplementary information, in relation to the basic financial statements as a whole, for the year ended February 29, 2016 (the "financial statements"), are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("generally accepted accounting principles"), and perform specified procedures on the required supplementary information for the year ended February 29, 2016.
 - To express an opinion on whether the supplementary information that accompanies the financial statements, including the schedule of expenditures of federal and state awards, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.
 - To report on the County's and the District's internal control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the year ended February 29, 2016, based on an audit of financial statements performed in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("generally accepted government auditing standards").
 - To express an opinion on the County's and the District's compliance with requirements applicable to each major program and report on the County's and District's internal control over compliance in accordance with the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("OMB Uniform Grant Guidance"), (the "Single Audit").

The Independent Auditor expects to issue written reports upon the completion of the audit. The Independent Auditor's ability to express any opinion or to issue any report as a result of this engagement and the wording thereof will, of course, be dependent on the facts and circumstances at the date of the report. If, for any reason, the Independent Auditor is unable to complete the audit or is unable to form or has not formed an opinion, the Independent Auditor may decline to express an opinion or decline to issue any report as a result of this engagement. If the Independent Auditor is unable to complete its audit or if any report to be issued by the Independent Auditor as a result of this engagement requires modification, the reasons therefore will be discussed with the Commissioner's Court of Harris County, Texas (the "Commissioner's Court") and management of the County and District.

- d. Independent Auditor shall perform the Services in accordance with generally accepted auditing standards, generally accepted government auditing standards, and OMB Uniform Grant Guidance include:
- Forming and expressing opinions and reporting on certain matters as described in 2c. above.

The audit of the financial statements does not relieve the County Auditor or the Commissioner's Court of their responsibilities.

- e. An audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and OMB Uniform Grant Guidance includes the following:
- Obtaining an understanding of the Clients and their environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures
 - Consideration of internal control over financial reporting, as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clients' internal control over financial reporting
 - Consideration of internal control and compliance over major federal and state programs, as a basis for determining the Clients' internal control over compliance with federal laws and other laws and regulations
 - Examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements
 - Inquiring directly of Commissioners Court regarding its views about the risks of fraud and whether Commissioners Court has knowledge of any fraud or suspected fraud affecting the Clients
 - Evaluating the overall financial statement presentation
 - Determining which federal and state programs should be considered major programs and thus included within the scope of the compliance audit
 - Evaluating the overall presentation of the schedule of expenditures of federal and state awards in relation to the basic financial statements taken as a whole
 - Evaluating the items to be included in the schedule of findings and questioned costs and the reasonableness of the summary schedule of prior year findings
 - Obtaining and reporting the views of responsible officials concerning the findings, conclusions, and recommendations, as well as their planned corrective actions
 - Preparing a schedule of findings and questioned costs
 - Completing the auditor prepared sections of and signing the OMB Data Collection Form that summarizes our audit findings.

Being alert to situations or transactions that could be indicative of abuse as defined by generally accepted government auditing standards, which involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. The determination of abuse is subjective; generally accepted government auditing standards do not require the Independent Auditor to provide reasonable assurance of detecting abuse, and Independent

Auditor will not design the audit to detect abuse. However, if Independent Auditor becomes aware of abuse that could be quantitatively or qualitatively material to the financial statements, Independent Auditor will apply procedures specifically directed to ascertain the potential effect on the financial statements or other financial data significant to the audit objectives. Under generally accepted government auditing standards, Independent Auditor may be required to directly report known or likely fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse to outside parties. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on Independent Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether caused by fraud or error. In making those risk assessments, Independent Auditor considers internal control relevant to the Clients' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Clients' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Independent Auditor will also perform tests of the Clients' compliance with certain provisions of laws, regulations, contracts, and grant agreements. However; it is not Independent Auditor's objective to provide an opinion on overall compliance with those provisions, and, accordingly, Independent Auditor will not express such an opinion.

Generally accepted accounting principles provide for certain required supplementary information ("RSI"), such as a management's discussion and analysis, to accompany the Clients' financial statements. As part of the audit, Independent Auditor will apply certain limited procedures to the Clients' RSI, which will consist principally of inquiries of management regarding the methods of preparing the information. Independent Auditor will disclaim an opinion on the RSI, unless (1) some of the RSI is omitted, (2) the measurement or presentation of the RSI departs materially from the prescribed guidelines, or (3) we have unresolved doubts about whether the RSI is measured or presented in accordance with prescribed guidelines.

Supplementary information other than RSI, such as combining and individual fund financial statements, the schedule of expenditures of federal and state awards, and statistical data, also accompany the Clients' financial statements. Independent Auditor will subject supplementary information that is financially oriented to the audit procedures applied in the audit of the financial statements and express an opinion on whether such information is fairly stated, in all material respects, in relation to the Clients' financial statements as a whole. Independent Auditor will disclaim an opinion on supplementary information that comprises nonaccounting information or accounting information not directly related to the financial statements.

Generally accepted auditing standards, generally accepted government auditing standards and OMB Uniform Grant Guidance require that the Independent Auditor plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether each opinion unit of the financial statements are free of material misstatement, whether caused by error or fraud. However, because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with generally accepted auditing standards, generally accepted government auditing standards, and OMB Uniform Grant Guidance. Independent Auditor has no responsibility to plan and perform the audit to obtain reasonable assurance that

misstatements, whether caused by fraud or error, that are not material to the financial statements as a whole are detected.

Independent Auditor will also plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements that are applicable to the Clients' major federal and state programs could have a direct and material effect on each of its major federal and state programs. An audit of compliance includes, examining on a test basis, evidence about the Clients' compliance with those requirements and performing such other procedures as Independent Auditor considers necessary in the circumstances. The audit does not provide a legal determination on the Clients' compliance with those requirements.

The Independent Auditor's reports on the County's and District's internal controls, as part of the financial statement audit and on compliance with laws and regulations, will state that those reports are intended solely for the information and use of the members of the Commissioner's Court, other officials and employees of the County and District, and officials of the federal and state agencies that will be listed in the Schedule of Federal and State Awards, and are not intended to be and should not be used by anyone other than these specified parties.

3. *Compensation*

- a. For the Services as provided in this Agreement, the County is obligated to pay the Independent Auditor according to the following schedule of hourly rates for personnel assigned to the audit engagement:

Partner/Director	\$320.00/hour
Senior Manager	\$300.00/hour
Manager	\$250.00/hour
Senior / In-Charge Accountant	\$160.00/hour
Senior Staff Accountant	\$145.00/hour
Staff Accountant	\$130.00/hour
Clerical	\$60.00/hour

- b. Prior to the execution of this agreement, Independent Auditor has been advised by Clients, and Independent Auditor understands and agrees, said understanding and agreement being of the absolute essence of this Agreement, that the total maximum compensation that Independent Auditor may become entitled to receive for the Services performed under this Agreement, and the total maximum sum that the Client shall become liable to pay to Independent Auditor for Services performed under this Agreement, shall not exceed the sum of Six Hundred Eight Thousand and 00/Dollars (\$608,000.00) specifically allocated to fully discharge liabilities for professional fees under this Agreement which may be incurred by Clients. Each Client's respective liabilities for payment under the terms and provisions of this agreement are limited to such sum, plus additional amounts of funds from time to time certified available.
- c. Independent Auditor understands and agrees that the laws governing the letting of contracts for the Client require the approval of the Harris County Auditor and her certification that funds are, or will be, available for the payment of the obligations created under the Agreement before such contracts

become effective. Therefore, Independent Auditor shall not proceed with any Services until such time that it receives a Purchase Order issued by the Harris County Purchasing Agent. Any Services performed by Independent Auditor prior to its receipt of a Purchase Order are at Independent Auditor's own expense.

- d. If the Services to be provided will equal or exceed the amount certified available, Independent Auditor will notify the County immediately. Independent Auditor shall submit a supplemental invoice to the County Budget Officer containing estimate and description of the Services. If the amount certified is depleted prior to the end of the term of this Agreement, Contractor may terminate all Services hereunder upon the total depletion of the certified funds unless the County, at its sole option and subject to the County Budget Officer's approval of the reasonableness of the Services and charges, and subject to the availability of Grant Funds or General Funds, certifies additional funds, as evidenced by a written amendment to this Agreement and the Purchase Order, in which event Contractor shall continue to provide the Services herein specified to the extent funds are available. With regard to the renewal or extension of this Agreement, the Client has not allocated any funds for any renewal or extension period beyond the current fiscal year. Therefore, if the Client exercises any renewal option, the renewal is subject to the future allocation and certification of funds for the renewal period.

	<u>2016 Maximum Fee Not to Exceed</u>
Harris County Audit	\$492,000.00
Harris County Toll Road	\$50,000.00
Harris County Flood Control	\$66,000.00
Total Maximum Fee—Harris County	<u>\$608,000.00</u>

The fees noted above for the County include only 7 total major federal and state programs for the Single Audit in accordance with OMB Uniform Grant Guidance. Additional major programs will be billed at a rate of \$10,000 each.

The fees noted above for the District include only 1 total major federal or state program for the Single Audit in accordance with OMB Uniform Grant Guidance. Additional major programs will be billed at a rate of \$10,000 each.

Subject to the Parties entering in an annual engagement letter, the fees for each fiscal year for the next five years are as follows:

Audit Year	Annual Fees
2016 Fiscal Year	\$608,000
2017 Fiscal Year	\$628,000
2018 Fiscal Year	\$648,000
2019 Fiscal Year	\$668,000

2020 Fiscal Year	\$668,000
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While Services are provided in accordance with this Agreement, each Client is obligated to make periodic payments to the Independent Auditor based upon the portion of the work, which has been completed by the Independent Auditor with respect to that particular Client. Independent Auditor shall submit to the Harris County Auditor an invoice for services rendered each month to: Harris County Auditor, 1001 Preston 8th floor, Houston, Texas 77002, based upon the Invoice Milestones noted below. After receipt of an invoice, County Auditor shall forward the invoice to the Harris County Budget Management Department (the "Department") for review and approval with them within ten (10) days of receipt with such modifications as may be deemed warranted after due inquiry. After review, the Department will return the invoice, with any such modifications, to the County Auditor for payment. The Client shall pay each invoice, as approved by the County Auditor, within thirty (30) days of Client's receipt of such invoice in accordance with Chapter 2251 of the Texas Government Code. The Invoice Milestone schedule will be invoiced to Clients as the Services are provided as set forth below:

Invoice Milestones		Amount
Invoice #1	Planning Procedures	\$68,000
Invoice #2	Substantive Testing	\$90,000
Invoice #3	Substantive Testing	\$150,000
Invoice #4	Substantive Testing and Reporting	\$200,000
Invoice #5	Upon conclusion of the audit	Remaining Balance

- e. The Services to be provided by the Independent Auditor under this Agreement do not include any special investigation of any fund or funds, account or transactions, which may be determined by any Party to be warranted by any conditions with respect to any fund, department, account, or transaction, which may be encountered by the Independent Auditor while performing its Services. No special investigation must be performed by the Independent Auditor, except upon the execution of a separate agreement for those services.

4. Personnel

- a. The Parties agree that the assignment of certain personnel (hereinafter "Key Personnel") is necessary to the successful performance by the Independent Auditor. The following personnel and any individuals replacing same in accordance with paragraph 4.b. of this Article are "Key Personnel":

NAME	FUNCTION
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		Managing Director in Charge
Ross Johnson		
Tracey Cooley	Guidry-	Concurring Managing Director

- b. The Independent Auditor must not divert or remove any "Key Personnel" without the prior written consent of the County and District, except for death, resignation, illness or disassociation of Key Personnel in conflict with law, or independence or professional rules Personnel or other reasons beyond the reasonable control of the Independent Auditor. Subject to Section 4c. below, if the removal or diversion of Key Personnel for reasons beyond the control of the Independent Auditor becomes necessary, the Independent Auditor must promptly notify the County and District of the pending change and its cause upon becoming aware of the necessity of such diversion or removal. Before assigning replacement personnel, the Independent Auditor must notify County and District of the name and qualifications of the proposed replacement. The qualifications of the proposed replacement must be at least equal to those of the person being replaced.
- c. Subject to applicable laws, regulations, and professional standards, the Independent Auditor shall endeavor to honor the specific requests of County and District with respect to the assignment of employees other than Key Personnel to perform Independent Auditor's obligations.

5. *Approval and Acceptance*

The Independent Auditor must perform all Services in accordance with the terms of this Agreement.

6. *Time of Performance*

- a. The Independent Auditor must perform all Services in accordance with the times prescribed in Exhibits A and B.
- b. In the event that the Independent Auditor expects that one of its obligations cannot be performed in a timely fashion, it must provide prompt written notice to County and District, except as otherwise provided herein. This notice must not be an excuse of performance or a waiver of acceptance.

7. *Term and Termination*

- a. This Agreement shall expire on November 30, 2016. Subject to annual written agreement by the Parties hereto, this Agreement may be renewed annually for up to four (4) consecutive years. The Services to be performed by Independent Auditor pursuant to this Agreement are subject to the terms and conditions set forth herein and in the accompanying appendices. Such terms and conditions shall be effective as of the date of the commencement of such services
- b. The County, District or Independent Auditor may terminate this Agreement at any time by giving written notice to the other Party. Promptly after this notice is given to the Independent Auditor, the Independent Auditor must discontinue all Services. As soon as practicable after receipt of notice of termination, Independent Auditor must submit a statement to the Client showing in detail the Services performed to the date of termination. Within 30 calendar days of approval as per Article III of this Agreement, each Client is obligated to pay the Independent Auditor for all Services actually performed for such Client up to and on the effective date of termination, less, if applicable, such payments as have been previously made to the Independent Auditor by each Client in accordance with Section 3c. above.

8. *Warranty*

- a. The Parties agree that the audit to be performed by the Independent Auditor under this Agreement is to be performed in accordance with auditing standards generally accepted in the United States of America (“generally accepted auditing standards”) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. If the Independent Auditor’s opinions are other than unqualified, the Independent Auditor must discuss the reasons with the County and District in advance of providing the Independent Auditor’s opinion to the County and District.
- b. Independent Auditor warrants that none of the Key Personnel is an “Ineligible Person.” An “Ineligible Person” is an individual or entity who:
 - i. is currently excluded, debarred, suspended, or otherwise ineligible to participate in any federal and/or state grant, health care program, or in federal and/or state procurement or nonprocurement programs. This includes but is not limited to persons who are on the List of Excluded Individuals or Entities of the Inspector General, List of Parties excluded from Federal Programs by the General Services Administration or the Medicaid Sanction List; or,
 - ii. has been convicted of a criminal offense related to the provision of health care items or services [within the rules and regulations of 42 USC §1320a-7(a)], but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.
- c. Independent Auditor’s Key Personnel agrees to report immediately to the Client if Key Personnel becomes an “Ineligible Person” during the term of this Agreement.
- d. Independent Auditor warrants that it is capable and willing to provide the Services called for in the Agreement, and agrees to render the Services in accordance with the generally accepted auditing standards applicable to the Services. Independent Auditor shall use that degree of care and skill commensurate with the profession to comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations applicable to Independent Auditor while performing the Services to be rendered hereunder. Independent Auditor represents that its Key Personnel performing the Services hereunder are fully qualified to perform the Services and provide the deliverables described in this Agreement.
- e. Independent Auditor represents that, as of the date of Independent Auditor’s execution of this Agreement, the engagement leader is not aware of any other contract, obligation or covenant that would affect Independent Auditor’s ability to perform the Services hereunder. The engagement leader represents and warrants that, to its knowledge, entering into this Agreement does not result in a breach of any other contract between the engagement leader and a third party that will have a material adverse effect on the provision of the Services.
- f. Independent Auditor represents that it is registered with the Texas Secretary of State to transact business in Texas, and is current on all state and local fees and taxes, including but not limited to Franchise Account Status of “in good standing” with the Texas Comptroller of Public Accounts.
- g. Independent Auditor represents that none of the Key Personnel performing Services hereunder, owe any debts to Harris County, including, but not limited to delinquent taxes, court judgments, tickets, tolls, fees, or fines. Taxes are deemed delinquent on the date certain as specified by the

Harris County Tax Office. For the purposes of this Agreement, a court judgment is not required for delinquent taxes to be considered a debt.

- h. Conflict of Interest: The engagement leader represents that, to his knowledge, no company or person, other than a bona fide employee, has been employed to solicit or secure this subcontract with Client, and that Independent Auditor has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this provision, the Client shall have the right to terminate the Agreement or in its discretion to deduct from the Agreement amount, or otherwise recover, the full amount of such fee, commission, brokerage fee, gift, or contingent fee.
- i. No Federal Exclusion: Independent Auditor represents that none of its Key Personnel is debarred, suspended, or otherwise excluded from or ineligible for participation in any Federal programs, including but not limited to the following: Department of Health and Human Services (DHHS), Office of Inspector General (OIG) - List of Excluded Individuals & Entities (LEIE); U.S. General Services Administration (GSA) – Excluded Parties List System (EPLS); All States (50) Health & Human Services Commission Medicaid OIG Sanction List; Government Terrorist Watch List (OFAC / Patriot Act); Department of Commerce, Bureau of Industry and Security, Denied Persons List; and Department of Homeland Security, Immigration and Customs Enforcement (ICE) Most Wanted. Independent Auditor must promptly notify the Client of any such exclusion or suspension.
- j. Independent Auditor warrants and represents that no Key Personnel who has an ownership or controlling interest in Independent Auditor's business or who is an agent or managing employee of Independent Auditor has been convicted of a criminal offense related to involvement in any federal program.
- k. THIS IS A SERVICES AGREEMENT. THE INDEPENDENT AUDITOR DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

9. Independent Contractor

The Independent Auditor's personnel are under the ultimate control, management, and supervision of the Independent Auditor. In furnishing Services to County and District, the Independent Auditor is acting only as an independent contractor and as such is not entitled to County or District benefits and shall not be considered to be, an agent, distributor, partner, fiduciary or representative of the County or the District. Neither the Independent Auditor nor the Clients shall act or represent itself, directly or by implication, in any such capacity in respect of any of the other Parties or in any manner assume or create any obligation on behalf of, or in the name of, the other Parties.

10. Confidentiality, Nondisclosure and Rights in Data

- a. In connection herewith, County and/or District may disclose to the Independent Auditor certain non-public documents, data and other information, which is proprietary, confidential or trade secret ("Confidential Information"). The Independent Auditor must take steps necessary to protect Confidential Information from disclosure to third parties and must not reproduce, copy or disseminate Confidential Information except to the Independent Auditor's partners, principals, representatives or personnel as necessary for the Independent Auditor to perform its obligations hereunder or under any

law, rule or regulation or any applicable professional standard. Confidential Information does not include information that is or becomes a part of the public domain or publicly available through no breach of this agreement, is previously known to the Independent Auditor or information independently developed by or on behalf of the Independent Auditor, is disclosed to the Independent Auditor by a third party who Independent Auditor believes is not prohibited from disclosing such information by obligation to the County or District legally entitled to disclose the information, is disclosed with County's or District's written consent, is disclosed by County or District to a third party without substantially the same restrictions in this Agreement, is required to be disclosed by a court of competent jurisdiction, administrative agency or governmental body, or by subpoena, summons or other legal process, or by any law, rule or regulation, or by applicable regulatory or professional standards, or is disclosed by the Independent Auditor in connection with litigation pertaining hereto or any judicial or other proceeding involving County or District and Independent Auditor. Confidential Information of the Clients that comes to the attention of the Independent Auditor in connection with the Services may be considered and used by the Independent Auditor in the context of responding to its professional obligations as the independent accountant of the Clients.

- b. Contact with the news media, citizens of Harris County, the State of Texas or other governmental agencies with respect to Services under this Agreement is the responsibility of the County and District.

11. Insurance

During the term of this Agreement, the Independent Auditor must maintain (1) worker's compensation insurance in state statutory amounts, (2) employer's liability policy providing coverage of at least One Million Dollars (\$1,000,000.00), (3) commercial general liability insurance policy providing coverage of at least One Million Dollars (\$1,000,000.00) per occurrence including property damage, bodily injury, and personal injury.

12. Assignment

Neither this Agreement nor any interest hereunder may be assigned or transferred by any of the Parties without the prior written consent of the other Parties.

13. Waiver

No waiver with respect to the Services to be performed may be made by the Independent Auditor, County, or District unless expressed in writing and signed by the waiving Party. The failure of either Party to insist on any one or more instances upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option or election, should not be construed as a waiver or relinquishment for the future of these terms, provisions, option or election, but the same shall continue and remain in full force and effect, and no waiver by any party of any one or more of its rights or remedies under this Agreement shall be deemed to be a waiver of any prior or subsequent right or remedy under this Agreement or at law.

14. Entire Agreement; Survival

This instrument contains the entire Agreement related to the rights granted and obligations assumed by the Parties. Any oral or written representations or modifications concerning this instrument are of no force and effect excepting a subsequent modification in writing signed by all Parties. The undertakings and obligations of each party that are intended by their nature to survive performance of the Services shall survive such performance, expiration or termination of this Agreement, or any part thereof. Each of the

provisions of these terms shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise, notwithstanding the failure of the essential purpose of any remedy.

15. Changes in the Scope of Services

All changes in the scope or nature of the Services must be processed through a signed amendment to this Agreement. Until such an amendment is executed by the Independent Auditor, County, and the District and the necessary funds are appropriated, the Independent Auditor must not commence any changed or expanded scope of work.

16. Records Requirement

- a. All work papers of the Independent Auditor remain the property of the Independent Auditor and constitute confidential information of the Independent Auditor. In addition, to the extent that the Independent Auditor utilizes any of its property (including, without limitation, any hardware or software of the Independent Auditor or any proprietary or confidential information or trade secrets of the Independent Auditor) in performing the Services, this property remains the property of the Independent Auditor and the County and District acquire no right or interest in this property, except as expressly defined below in this Article.
- b. Except as otherwise provided in Section 20f. hereof, the Clients may distribute the Independent Auditor's report on the basic financial statements and the required supplementary information for the year ended February 29, 2016.

17. Notices

Except as otherwise provided, any notice permitted or required to be given to any Party is deemed duly given when written and delivered personally or when sent by certified mail, return receipt requested, telegraph, or cable to the Party at the following addresses, or at those addresses as may from time to time be designated in a notice similarly delivered or mailed:

In the case of County and/or District:

Harris County and/or
Harris County Flood Control District
1001 Preston, Room 938
Houston, Texas 77002
Attn: Mr. William J. Jackson
County Budget Officer

In the case of the Independent Auditor:

Deloitte & Touche LLP
1111 Bagby Street, Suite 4500
Houston, Texas 77002
Attn: Mr. Ross Johnson
Managing Director

With a copy to:

Harris County Purchasing Dept.
1001 Preston, Room 670
Houston, Texas 77002

Attn: Ms. Patty Kenyon
Contract Administrator

18. Governing Law

This Agreement is governed by the laws of the State of Texas. The Independent Auditor agrees to comply with all federal, state and local laws, rules, and regulations applicable to the Independent Auditor in the performance of its obligations under this Agreement. Venue for any action arising from this Agreement shall be in Harris County, Texas.

19. Force Majeure

Notwithstanding any other provision in this Agreement, the Independent Auditor shall not be liable or responsible for any delays in performing its obligations under this Agreement, including but not limited to, the completion of the audit and issuance of its report thereon, which result from circumstances or causes beyond the Independent Auditor's reasonable control, including without limitation, acts or omissions or the failure to cooperate as described in Section 20 by the County or District, acts of third parties beyond the reasonable control of the Independent Auditor, fire or casualty, act of God, epidemic, strike or labor dispute, war or other violence, or any law, order, or requirement of any governmental agency or authority.

20. Additional Special Provisions

- a. The Independent Auditor must not interfere with other contractors that may be engaged by the County or District to work on other projects.
- b. The Independent Auditor must not sub-contract any of the Services without the written approval of County and District except as described in Exhibit C.
- c. The County and District understand that the proper and timely completion of the Independent Auditor's Services require the reasonable cooperation of County and District. The County and District agree to provide reasonable cooperation requested by the Independent Auditor. The County and District shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of all data and information provided to the Independent Auditor for purposes of the performance by the Independent Auditor of the Services hereunder.
- d. The County and District expressly permit the Independent Auditor to discuss with the Auditor of the State of Texas, the federally designated "Cognizant Agency" and/or any other federal, state or local governmental agency or authority on any matter pertaining to the Services, which in the judgment of the Independent Auditor are appropriate the performance of the Services.
- e. The County and District understand and agree that the underlying books and records of account must be properly closed under the laws, regulations and professional standards applicable to the Services.
- f. If the County or District intends to publish or otherwise reproduce in any document any report issued by the Independent Auditor as a result of this Agreement, or otherwise make reference to the Independent Auditor in a document that contains other information in addition to the audited basic

financial statements (e.g., in a periodic filing with a regulator, an official statement or in a private placement memorandum), thereby associating Independent Auditor with such document, the Clients agree that their management will provide Independent Auditor with a draft of the document to read and obtain Independent Auditor's approval for the inclusion of incorporation of reference of any Independent Auditor's reports, or the reference to Independent Auditor, in such document before the document is printed and distributed. The inclusion or incorporation by reference of any of Independent Auditor's reports in any such document would constitute the re-issuance of such reports. The Clients also agree that their management will notify Independent Auditor and obtain Independent Auditor's approval prior to including our report on an electronic site.

Our engagement to perform the services described herein does not constitute our agreement to be associated with any such documents published or reproduced by or on behalf of the Clients. Any request by the Clients to reissue any report issued as a result of this Agreement, to consent to any such report's inclusion or incorporation by reference in an offering or other document, or to agree to any such report's inclusion on an electronic site will be considered based on the facts and circumstances existing at the time of such request. The estimated fees outlined herein do not include any services that would need to be performed in connection with any such request; should D&T agree to perform such procedures, fees for such procedures would be subject to the mutual agreement of the Clients and D&T.

In connection with the Agreement, Independent Auditor, the Clients, and the Commissioner's Court will assume certain roles and responsibilities in an effort to assist Independent Auditor in maintaining independence. Independent Auditor will communicate to its partners, principals, and employees that the Clients are attest clients. Management of the Clients will ensure that the Clients have informal policies and procedures in place reasonably designed to ensure that the Clients will not act to engage the Independent Auditor or accept from the Independent Auditor any service that under AICPA, generally accepted government auditing standards, or other applicable rules would impair the Independent Auditor's independence. All potential services are to be discussed with Mr. Ross Johnson. In connection with the foregoing paragraph, the Clients agree to furnish to Independent Auditor and keep Independent Auditor updated with respect to a corporate tree that identifies the legal names of the Clients' affiliates, as defined in AICPA *Code of Professional Conduct* Interpretation No. 101-18 (e.g., parents, subsidiaries, investors, or investees) ("Client Affiliates"), together with the ownership relationship among such entities. Such information will be maintained in a database accessible by Independent Auditor in connection with their compliance with AICPA or other applicable independence rules.

Management will coordinate with Independent Auditor to ensure that Independent Auditors' independence is not impaired by hiring former or current partners, principals, or professional employees of Independent Auditor in a key position, as defined in the AICPA *Code of Professional Conduct*. Management of the Clients will ensure that the Clients also have informal policies and procedures in place reasonably designed to ensure that Independent Auditors' independence will not be impaired by hiring a former or current partner, principal, or professional employee of Independent Auditor in a key position that would cause a violation of the AICPA *Code of Professional Conduct*, generally accepted government auditing standards, or other applicable independence rules. Any employment opportunities with the Client for a former or current partner, principal, or professional employee of Independent Auditor should be discussed with Mr. Ross Johnson before entering into substantive employment conversations with the former or current partner, principal, or professional employee of Independent Auditor.

For purposes of the preceding three paragraphs, "Independent Auditor" shall mean Deloitte & Touche LLP and its subsidiaries; Deloitte Touche Tohmatsu Limited, its member firms, the affiliates of

Deloitte & Touche LLP, Deloitte Touche Tohmatsu Limited and its member firms; and, in all cases, any successor or assignee.

- g. Lobbying: Independent Auditor affirms that it has not engaged in federal lobbying activities related to this proposal and, as such, has nothing to disclose on Standard Form-LLL. While Independent Auditor does engage in federal and state lobbying activities not related to this proposal, those activities are financed through revenues earned from private, non-governmental clients.
- h. Independent Auditor shall maintain billing and payment records for the fees and expenses incurred in performing the Services under this Agreement during the term and for three (3) years thereafter. Upon reasonable advance written notice, during normal business hours, Client may inspect, at its sole expense, such records of Independent Auditor to the extent reasonably necessary to substantiate payment made under this Agreement. Client may exercise such right no more than once per calendar year during the period within which Independent Auditor is obligated to maintain such records hereunder. Any records made available to Client under this Section may be redacted by Independent Auditor to the extent necessary to protect its proprietary and confidential information and to avoid any invasion of personal privacy. This section shall survive termination of this Agreement.
- i. Prior to execution of the Agreement, Independent Auditor shall, as an update, complete Form 1295 in accordance with Tex. Gov't Code Ann. § 2252.908 concerning "Interested Parties," Independent Auditor warrants and represents that all the information on the form is complete and accurate.

21. Responsibility for Financial Statements

Clients' management is responsible for the preparation, fair presentation, and overall accuracy of the financial statements in accordance with generally accepted accounting principles and all accompanying information in accordance with prescribed guidelines or applicable criteria. In this regard, the Clients' management has the responsibility for, among other things:

- Selecting and applying the accounting policies
- Designing, implementing, and maintaining effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- Identifying and ensuring that the Client complies with the laws and regulations applicable to its activities and the provisions of contracts or grant agreements, and informing Independent Auditor of all instances of identified or suspected fraud, noncompliance with provisions of laws, regulations, and provisions of contracts or grant agreements
- Providing us with (1) access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and all accompanying supplementary information, such as records, documentation, and other matters, (2) additional information that we may request from management for the purpose of our audit, and (3) unrestricted access to personnel within the Entity from whom we determine it necessary to obtain audit evidence
- Taking timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse reported by Independent Auditor
- Having a process to track the status of audit findings and recommendations

- Identifying for Independent Auditor previous financial audits, attestation engagements, and other studies related to the objectives of our audit and whether related recommendations have been implemented
- Providing Clients' view on our current reported findings, conclusions, and recommendations, as well as management's planned corrective actions, for our reports. The corrective action plan that the Clients develop for their OMB Uniform Grant Guidance reporting package may fully or partially satisfy this responsibility
- Submitting the reporting package and OMB Data Collection Form to the Federal Audit Clearinghouse
- Management is also responsible for (1) preparing supplementary information other than RSI such as budgetary comparison information, the schedule of expenditures of federal awards, and statistical data in accordance with the applicable criteria, (2) including Independent Auditor's report on the supplementary information in any document that contains such information and that indicates that Independent Auditor has reported on such information, and (3) presenting the supplementary information with the Client's audited financial statements.
- Independent Auditor will use the Clients' internal auditors to perform audit procedures under our direction, supervision, and review ("direct assistance"). In connection therewith, management and the Commissioner's Court acknowledge and agree that (1) the internal auditors that will provide direct assistance to us will be allowed to follow our instructions, and (2) the Clients will not intervene in the work performed by such internal auditors for Independent Auditor.

22. Representations

The Parties acknowledge that the Independent Auditor will make specific inquiries of the Clients' management about representations (1) embodied in the basic financial statements and all accompanying information, (2) regarding the effectiveness of internal control, and (3) regarding the Clients' compliance with laws, regulations and the provisions of contracts or grant agreements. Additionally, the Independent Auditor will request that the Client provide to Independent Auditor the written representations the Clients are required to provide to their independent auditors under generally accepted auditing standards and generally accepted government auditing standards. The responses to those inquiries and related written representations of the Clients are part of the evidential matter that the Independent Auditor will rely on in forming its opinions on the financial statements and reporting on accompanying information. Because of the importance of management's representations, the Clients agree, to the extent not prohibited by applicable law, to release and indemnify Independent Auditor, its subcontractors and their respective personnel from all claims, liabilities, and expenses relating to our services under this engagement letter attributable to any misrepresentation by management.

23. Other Communications Arising From the Audit

Independent Auditor is responsible for communicating with the Commissioner's Court significant matters related to the audit that are, in its professional judgment, relevant to the responsibilities of the Commissioner's Court in overseeing the financial reporting process.

The Independent Auditor will report directly to Commissioners Court any fraud of which the Independent Auditor identifies or suspects that involves (1) management, (2) employees of the Entity who have significant roles in internal control, or (3) other employees of the Clients when the fraud results in a

material misstatement of the financial statements. In addition, Independent Auditor will communicate with the Commissioners Court any other matters related to fraud that are, in Independent Auditor's professional judgment, relevant to their responsibilities. The Independent Auditor will communicate to management any fraud perpetrated by lower level employees of which the Independent Auditor becomes aware that does not cause a material misstatement of the financial statements; however, the Independent Auditor will not report such matters directly to Commissioners Court, unless otherwise directed by Commissioners Court.

In addition, as required by generally accepted government auditing standards, Independent Auditor's report on the Clients' internal control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters will include any findings of material noncompliance of such provisions, fraud, and material abuse that we have identified during our audit.

Independent Auditor will also communicate, in writing, to management and the Commissioners Court any significant deficiencies or material weaknesses in internal control (as defined in generally accepted auditing standards) that Independent Auditor has identified during the audit, including those that were remediated during the audit.

Independent Auditor will also communicate certain matters to management and the Commissioners Court, including Independent Auditor's responsibilities for testing and reporting on the Clients' internal control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts or grant agreements, both for the financial statement audit and single audit. In addition, Independent Auditor will communicate to management and the Commissioners Court the following matters, if any are identified during the audit: material noncompliance with provisions of laws, regulations, contracts or grant agreements related to major federal programs; certain known questioned costs; known fraud affecting federal awards; abuse that is material to a federal program; and other federal award audit findings as required by generally accepted government auditing standards and OMB Uniform Grant Guidance.

Independent Auditor is not required to design procedures for the purpose of identifying other matters to communicate with the Commissioners Court. However, Independent Auditor will communicate to the Commissioners Court matters required by the generally accepted auditing standards, generally accepted government auditing standards and OMB Uniform Grant Guidance.

Independent Auditor may also communicate to management and the Commissioners Court on internal control, compliance, or other matters Independent Auditor observes and possible ways to improve the Clients' operational efficiency and effectiveness or otherwise improve its internal control or other policies and procedures.

Independent Auditor may be requested or required by a regulator of the Clients, including but not limited to representatives of the United States Government Accountability Office (GAO) (each, a "Regulator") to provide access to working papers related to this Agreement. In the event of any such request or requirement, Independent Auditors will notify Clients prior to providing such access unless applicable law or regulation prohibits such notice. The working papers for this engagement are the property of Independent Auditor and constitute Independent Auditor's confidential information. Independent Auditor may request confidential treatment of the working papers. Access to Independent Auditor's working papers will be provided under the supervision of Independent Auditor's personnel and upon request Independent Auditor may provide copies of working papers to a Regulator. The Clients hereby consent, where consent is required, to Independent Auditor providing access to working papers and copies thereof to a Regulator. The working papers related to this agreement will be retained by Independent Auditor for

a minimum of s three years from the dates of the reports issued, or such longer period as required to satisfy legal and administrative requirements.

24. General Business Terms

The general business terms attached hereto as Exhibits C and D are hereby incorporated by reference. In the event of any inconsistency between Exhibits C and D and this Agreement, Exhibits C and D shall control.

[Signature page follows]

Executed in triplicate originals on the _____ day of AUG 09 2016

APPROVED AS TO FORM: HARRIS COUNTY, TEXAS and
VINCE RYAN, County Attorney HARRIS COUNTY FLOOD CONTROL
DISTRICT

By Amy Samples
Amy Samples
Assistant County Attorney

By Ed Emmett
Ed Emmett
County Judge

APPROVED:

By William J. Jackson
William J. Jackson, County Budget Officer

DELOITTE & TOUCHE LLP

By Ross Johnson
Ross Johnson
Managing Director

EXHIBIT A

Notwithstanding anything in this Agreement to the contrary, the Independent Auditor must perform for the fiscal year ending February 29, 2016, the annual independent audits of the County and the District pursuant to the requirements of Texas Local Government Code Annotated §115.045, as amended, and Title 4, Chapter 50, Subchapter K of the Texas Water Code, as amended, the Texas Water Rights Commission Manual issued pursuant thereto, Guides to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies Issued by the U.S. Department of the Treasury and the U.S. Justice Department, and all other laws, rules and regulations and professional standards applicable to such audits.

The Independent Auditor must audit the basic financial statements of the County and District combined, the financial statements of the County and the financial statement of the District for the fiscal year ending February 29, 2016. In addition, the Independent Auditor must subject the combining and individual fund financial statements and schedules included in the County's Comprehensive Annual Financial Report ("CAFR") to the auditing procedures applied in the audit of the basic financial statements in order to render an opinion on the combining and individual fund financial statements and scheduled in relation to the basic financial statements taken as a whole. Independent Auditor will not express an opinion on the Introductory Section and Statistical Section included in the CAFR, nor on management's discussion and analysis, and required supplementary information; however, such procedures as required by generally accepted auditing standards will be performed on this information.

The Independent Auditor will endeavor all Services necessary to render the following reports no later than the dates specified below provided that the County and District provide to the Independent Auditor all information described by the dates set forth in Exhibit B:

Estimated Fiscal Year 2016 Annual Audit Timetable

1. August 15, 2016. Audit reports issued regarding the Schedule of Expenditures of Federal and State Awards for County and District.
2. August 15, 2016. Audit reports issued regarding compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards for County and District.
3. August 15, 2016. Reports on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Uniform Grant Guidance and the State of Texas, Uniform Grant Management Standards for County and District.
4. August 15, 2016. Independent Auditor's report on the audit of the basic financial statements of the County for fiscal year ending February 29, 2016, to be included in the official statement for bond offerings, subject to the required approval contained in Section 20f. of the Agreement.
5. August 15, 2016. Independent Auditor's report on the audit of the basic financial statements of the Flood Control District for fiscal year ending February 29, 2016, to be included in the official statement for bond offerings and the report to be submitted to the Texas Water Development Board to meet the annual filing requirement, each subject to the required approval contained in Section 20f. of the Agreement.

6. August 15, 2016. An Independent Auditor's report on the audit of the basic financial statements for the County and District, combined for the fiscal year ending February 29, 2016, to be included in the County's Comprehensive Annual Financial Report (CAFR), subject to the required approval contained in Section 20f. of the Agreement.
7. August 31, 2016. A draft of the Independent Auditor's "report to management" (comment letter) on the County and District provided to Management Services. Within 30 days of receipt by management of the County's and District's response to the "report to management," the final draft of the "report to management" will be issued.

EXHIBIT B

The County and District books of accounts are closed and trial balances prepared as of February 29, 2016, and these trial balances will be available to the Independent Auditor in a timely manner. Modified accrual basis trial balances will be made available to the Independent Auditor in a timely manner.

All audits to be performed hereunder must be made in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Controller General of the United States and the Office of Management and Budget—in particular those auditing standards stated in OMB Uniform Grant Guidance, Audits of State, Local Governments and Non-Profit Organizations.

The Independent Auditor is not obligated or required to audit the trust funds in the custody of the County Clerk of Harris County and the District Clerk of Harris County, for the fiscal year ending February 29, 2016. The Independent Auditor must provide to the County and the District a list of schedules to be prepared by the County and the District by May 11, 2016.

Single Audit reports must include the following information provided by the County, which will be subjected to the auditing procedures applied in the audit of the basic financial statements:

1. Schedule of Federal and State Financial Assistance
2. Supplemental Schedule of Activity of Shared Federal Forfeited Property

The County and District are obligated to furnish, at their expense, such accounting, clerical and stenographic help and such other assistance and cooperation from their employees as is reasonably necessary for the making and completing of the audit. The County's Audit Services will provide up to 800 hours of internal audit assistance to the Independent Auditor.

EXHIBIT B-1 DISPUTE RESOLUTION—MEDIATION & LIMITATION OF LIABILITY

Negotiation. Any controversy or claim between the Parties arising out of or relating to this Agreement, including exhibits, or this engagement (a “Dispute”) shall be subject to negotiation and mediation as set forth below. When a Dispute arises between the parties hereto, a party shall give the other party or parties, as the case may be, written notice of the Dispute. In the event that such notice is given, the Parties shall first attempt to resolve the Dispute promptly by negotiation between the Director of Management Services or his designee, on the one hand, and the engagement Director or his/her designee for Independent Auditor, on the other hand. Within 15 days after delivery of the notice, the receiving party or parties, as the case may be, shall submit to the notifying party a written response. Thereafter, the Director of Management Services or his designee and the engagement Director for Independent Auditor or his/her designee shall confer in person or by telephone promptly to attempt to resolve the Dispute. All communications and writings exchanged between the Parties in connection with the negotiation shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions.

Mediation. If a Dispute has not been resolved by the negotiation process referred to above within 90 days after the effective date of the written notice beginning the negotiation process, the negotiation shall terminate and the Dispute shall be submitted to nonbinding confidential mediation by written notice to the Parties, and shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions. The Parties agree to select an individual qualified under the requirements of TEX. CIV. PRAC. & REM. CODE ANN. §§ 154.001 *et seq.*, as amended, to serve as mediator within thirty (30) days. If the Parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution (“CPR”), at the written request of a Party, shall designate a mediator within thirty(30) days.

Limitation of Liability. Independent Auditor, its subcontractors and their respective personnel shall not be liable for any loss of use, data, goodwill, revenues, or profits (whether or not deemed to constitute a direct claim), or any special, consequential, incidental, indirect, exemplary or punitive loss, damage, or expense relating to this Agreement, including its exhibits, or this engagement. Furthermore, Independent Auditor and its subcontractors and their respective personnel shall not be liable to the Clients for any claims, liabilities, or expenses relating to this Agreement, including its exhibits, or this engagement for an aggregate amount in excess of the fees paid by the Clients to Independent Auditor for the Services for the year ended February 29, 2016.

EXHIBIT C

GENERAL BUSINESS TERMS

1. Independent Contractor. It is understood and agreed that Independent Auditor is an independent contractor and that Independent Auditor is not, and will not be considered to be, an agent, partner, fiduciary, or representative of the Clients.
2. Survival. The agreements and undertakings of the Clients contained in the Agreement will survive the completion or termination of this engagement.
3. Assignment and Subcontracting. No party may assign, transfer, or delegate any of its rights or obligations relating to this engagement (including, without limitation, interests or claims relating to this engagement) without the prior written consent of the other parties. The Clients hereby consent to Independent Auditor assigning or subcontracting a portion of its Services under this engagement to any affiliate or related entity, whether located within the United States. Professional services performed hereunder by any of independent Auditor's affiliates or related entities shall be invoiced as professional fees, and any related expenses shall be invoiced as expenses, unless otherwise agreed.
4. Severability. If any term of the Agreement, including its appendices, is determined to be invalid or unenforceable, such term shall not affect the other terms hereof or thereof, but such invalid or unenforceable term shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein and therein.
5. Governing Law. This Agreement is governed by the laws of the State of Texas. The exclusive forum for any action arising out of, in connection with, or in any way relating to the Agreement is in a state or federal court of competent jurisdiction in Texas. The exclusive venue for any action arising out of, in connection with, or in any way relating to the Agreement is in a state or federal court of competent jurisdiction in Houston, Harris County, Texas.
6. Confidentiality. To the extent that, in connection with this engagement, Independent Auditor comes into possession of any confidential information of the Clients, Independent Auditor shall not disclose such information to any third party without the Clients' consent, using at least the same degree of care as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. The Clients hereby consent to Independent Auditor disclosing such information (1) as may be required by law or regulation, or to respond to governmental inquiries, or in accordance with applicable professional standards or rules, or in connection with litigation or arbitration pertaining hereto; (2) to the extent such information (i) is or becomes publicly available other than as the result of a disclosure in breach hereof, (ii) becomes available to Independent Auditor on a nonconfidential basis from a source that Independent Auditor believes is not prohibited from disclosing such information to Independent Auditor, (iii) is already known by Independent Auditor without any obligation of confidentiality with respect thereto, or (iv) is developed by Independent Auditor independently of any disclosures made to Independent Auditor hereunder; or (3) to contractors providing administrative, infrastructure, and other support services to Independent Auditor and subcontractors providing services in connection with this engagement, in each case, provided the subcontracts are located within the United States, and that such contractors and subcontractors have agreed to be bound by the confidentiality contained in this paragraph.

BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum ("BAA") is entered into by and between Deloitte & Touche LLP (hereinafter referred to as "VENDOR"), and Harris County, a body corporate and politic under the laws of the State of Texas (hereinafter referred to as "COUNTY" or "Harris County"). This BAA supplements and is made a part of the agreement between COUNTY and VENDOR dated of even date herewith (the "Engagement Letter" together with this BAA, the "Agreement").

RECITALS

The purpose of this BAA is to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191 (codified at 45 C.F.R. Parts 160 and 164), as amended ("HIPAA"); privacy and security regulations promulgated by the United States Department of Health and Human Services ("DHHS"); Title XIII, Subtitle D of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, as amended ("HITECH Act"); provisions regarding Confidentiality of Alcohol and Drug Abuse Patient Records (codified at 42 C.F.R. Part 2), as amended; and TEX. HEALTH & SAFETY CODE ANN. §§ 81.046, as amended, 181.001 *et seq.*, as amended, 241.151 *et seq.*, as amended, and 611.001 *et seq.*, as amended (collectively referred to herein as the "Privacy and Security Requirements").

TERMS

VENDOR'S RESPONSIBILITIES REGARDING USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION ("PHI", as defined below) AND ELECTRONIC PROTECTED HEALTH INFORMATION ("EPHI", as defined below)

A. Definitions.

1. Protected Health Information ("PHI") is defined in 45 C.F.R. § 160.103 and is limited to information created or received by VENDOR from or on behalf of COUNTY in connection with VENDOR's performance of the services pursuant to the Agreement.
2. Electronic Protected Health Information ("EPHI") shall mean individually identifiable health information that is transmitted by or maintained in electronic media and is limited to information created or received by VENDOR from or on behalf of COUNTY in connection with VENDOR's performance of the services pursuant to the Agreement.
3. Security Incident shall mean the unauthorized access, use, disclosure, modification, or destruction of EPHI or interference with the systems operations in an information system, including, but not limited to, information systems containing EPHI. This definition includes, but is not limited to, lost or stolen transportable media devices (e.g., flash drives, CDs, PDAs, cell phones, and cameras), desktop and laptop computers, photographs, and paper files containing PHI and EPHI.

B. General.

1. VENDOR agrees to hold all PHI and EPHI confidential except to the extent that disclosure is required by applicable Federal or State law, including the Texas Public Information Act, TEX. GOV'T CODE ANN. §§ 552.001 *et seq.*, as amended.

2. To the extent applicable to VENDOR's performance of the Services pursuant to the Agreement, VENDOR agrees to be bound by and comply with all applicable Federal and State of Texas licensing authorities' laws, rules, and regulations regarding records and governmental records, including the Privacy and Security Requirements. Compliance with this paragraph is at VENDOR's own expense.
 3. VENDOR agrees to reasonably cooperate with state and federal agencies in connection with this BAA. However, VENDOR does not waive any of its rights or remedies it may have under law, rule, or regulation in complying with this paragraph. Compliance with this paragraph is at VENDOR's own expense.
 4. Capitalized terms used but not otherwise defined in this BAA shall have the same meaning as those terms in the Privacy and Security Requirements.
- C. Representation. VENDOR represents that it is in compliance with the applicable Privacy and Security Requirements.
- D. Business Associate. VENDOR is a "Business Associate" of COUNTY as that term is defined under the Privacy and Security Requirements.
1. *Nondisclosure of PHI.* VENDOR agrees not to use or disclose PHI received from or on behalf of COUNTY or created, compiled, or used by VENDOR pursuant to the Agreement to which this BAA is attached other than as permitted or required by this BAA, or as otherwise required by law.
 2. *Limitation on Further Use or Disclosure.* VENDOR agrees not to further use or disclose PHI or EPHI received from or on behalf of COUNTY or created, compiled, or used by VENDOR pursuant to this BAA in a manner that would be prohibited by the Privacy and Security Requirements if disclosure was made by COUNTY, or if either VENDOR or COUNTY is otherwise prohibited from making such disclosure by any present applicable State or Federal law, regulation, or rule.
 3. *Safeguarding PHI.* VENDOR agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this BAA or as required by State or Federal law, regulation, or rule.
 4. *Safeguarding EPHI.* VENDOR agrees to implement and use administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, maintains, or transmits on behalf of COUNTY and to comply with Subpart C of 45 C.F.R. Part 164. These safeguards shall include the following:
 - a) Encryption of EPHI that VENDOR stores and transmits;
 - b) Implementation of strong access controls, including physical locks, firewalls, and strong passwords;
 - c) Use of updated antivirus software;
 - d) Adoption of contingency planning policies and procedures, including data backup and disaster recovery plans; and

e) Periodic security training.

5. *Reporting Security Incidents.* VENDOR agrees to report to COUNTY any Security Incident affecting EPHI **immediately** upon becoming aware of such Security Incident. VENDOR further agrees to provide COUNTY with the following information regarding the Security Incident as soon as possible, but no more than five (5) business days after becoming aware of the scope and nature of such Security Incident: (1) a brief description of what happened, including the dates the Security Incident occurred and was discovered; (2) a reproduction of the PHI or EPHI involved in the Security Incident; and (3) a description of whether and how the PHI or EPHI involved in the Security Incident was rendered unusable, unreadable, or indecipherable to unauthorized individuals either by encryption or otherwise destroying the PHI or EPHI prior to disposal. If VENDOR determines that it is infeasible to reproduce the PHI or EPHI involved in the Security Incident, VENDOR agrees to notify COUNTY in writing of the conditions that make reproduction infeasible and any information VENDOR has regarding the PHI or EPHI involved.

To the extent necessary for COUNTY to comply with applicable Federal and State of Texas licensing authorities' laws, rules, and regulations, VENDOR agrees to cooperate in a timely fashion with COUNTY regarding all Security Incidents reported to COUNTY.

VENDOR will promptly notify COUNTY of any Breach of Unsecured PHI of which it becomes aware. VENDOR further agrees that COUNTY will review all Security Incidents and/or Breaches reported by VENDOR, and COUNTY, in its sole discretion, will take the following steps in response, to the extent necessary or Required By Law including, but not limited to, (1) notifying the individual(s) whose PHI or EPHI was involved in the Breach, either in writing, via telephone, through the media, or by posting a notice on COUNTY's website, or through a combination of those methods, of the Breach; (2) providing the individual(s) whose PHI or EPHI was involved in the Breach with credit monitoring services for a period of time to be determined by COUNTY, at no cost to the individual(s); and (3) providing notice of the Breach, as Required By Law, to the Secretary of the United States Department of Health and Human Services ("HHS").

VENDOR agrees to reimburse COUNTY for all reasonable out of pocket expenses for any legally required notifications due to Breaches caused by VENDOR in connection with its performance of the services in the Agreement. VENDOR agrees that COUNTY will select the vendors and negotiate the contracts related to said expenses.

6. *EPHI and Subcontractors.* VENDOR shall require any agent to whom it provides PHI or EPHI, including a subcontractor, to agree to implement reasonable and appropriate safeguards to protect such PHI or EPHI and comply with Subpart C of 45 C.F.R. Part 164. Further, VENDOR agrees to give COUNTY at least sixty (60) days' advance notice of its intent to provide PHI or EPHI to an agent located outside of the United States. VENDOR understands and agrees that it remains responsible for any Breaches of PHI or EPHI caused by a breach of this BAA by its agent(s) or subcontractor(s) to the same extent that VENDOR would be responsible for any such Breaches of PHI or EPHI if caused by VENDOR's breach of this BAA.

7. *Subcontractors and Agents.* VENDOR shall require any subcontractor or agent that creates, receives, maintains, or transmits PHI or EPHI on behalf of VENDOR pursuant to this BAA and the Agreement, to agree to the same restrictions and conditions that apply to VENDOR with respect to such PHI and EPHI. VENDOR agrees that it may terminate its agreement with its agent(s) or subcontractor(s), if (a) VENDOR becomes aware of activity or practice of its agent(s) or subcontractor(s) that constitute a material breach or violation of the agent or subcontractor's obligation under this BAA or (b) agent(s) or subcontractor(s) takes steps to cure the breach or end the violation and such steps are unsuccessful.
8. *Reciprocal Disclosures.* The parties agree that the parties may reciprocally disclose and use PHI or EPHI for the purposes set out in this Agreement, for initial and continuing eligibility and compliance determinations related to the provision of benefits, for auditing and legal compliance purposes, and for compliance with laws, regulations, and rules related to the provision of medical or drug benefits to persons who may be eligible for such benefits under the Medicare Prescription Drug Benefit Program, Part D, or other federal or State of Texas programs.
9. *Mitigation.* VENDOR agrees to mitigate, to the extent practicable, any harmful effect that is known to VENDOR of a use or disclosure of PHI or EPHI by VENDOR, or by a subcontractor or agent of VENDOR, resulting from a violation of this BAA, including violations of the Privacy and Security Requirements stated herein. VENDOR also agrees to inform Harris County in advance of its actual mitigation and of the details of its mitigation plan, unless doing so would cause additional harm.
10. *Notice – Access by Individual.* VENDOR agrees to notify COUNTY in writing within three (3) business days of any request by an individual for access to the individual's PHI or EPHI and, upon receipt of such request, direct the individual to contact COUNTY to obtain access to the individual's PHI. Upon written request by COUNTY and within ten (10) business days of the request, VENDOR agrees to make available PHI and EPHI that VENDOR maintains in a Designated Record Set to COUNTY in accordance with 45 C.F.R. § 164.524.
11. *Notice – Request for Amendment.* VENDOR agrees to notify COUNTY in writing within three (3) business days of any request by an individual for an amendment to the individual's PHI or EPHI that VENDOR maintains in a Designated Record Set and, upon receipt of such request from the individual, direct the individual to COUNTY to request an amendment of the individual's PHI or EPHI. VENDOR agrees to make available upon written request PHI and EPHI that VENDOR maintains in a Designated Record Set for amendment and to incorporate any amendments to PHI and EPHI agreed to or directed by COUNTY in accordance with 45 C.F.R. § 164.526 within ten (10) business days of receipt of the notice to incorporate the amendment(s).
12. *Notice – Request for Accounting.* Upon receipt of any request from an individual for an accounting of disclosures made of the individual's PHI or EPHI, VENDOR agrees to notify COUNTY in writing within three (3) business days of any such request, and upon receipt of such request from the individual, direct the individual to COUNTY for an accounting of the disclosures of the individual's PHI or EPHI. VENDOR agrees to make available to COUNTY upon written request, within ten (10) business days of the request, the information required to provide an accounting of disclosures in accordance with 45 C.F.R. § 164.528. Pursuant to 45 C.F.R. § 164.528(a), an individual has a right to receive

an accounting of certain disclosures of PHI or EPHI in the six (6) years prior to the date on which the accounting is requested.

13. *HHS Inspection.* Upon written request, VENDOR agrees to make available to HHS or its designee, VENDOR's internal practices, books, and records relating to the use and disclosure of PHI and EPHI received from, or created or received on behalf of, COUNTY in a time or manner designated by HHS for purposes of HHS determining COUNTY's and VENDOR's compliance with the Privacy and Security Requirements.
14. *Third Party Information Technology Controls Report.* Deloitte LLP ("Deloitte U.S."), the parent entity of VENDOR, has engaged a third party (the "Service Provider") to apply procedures based upon a version of the BITS Financial Institution Shared Assessment Program Agreed Upon Procedures with respect to certain of Deloitte U.S.'s information technology controls and to prepare a report with respect thereto (the "BITS Report"). Upon written request, VENDOR shall promptly provide COUNTY with one copy of the BITS Report, provided that COUNTY executes any documentation required by the Service Provider to become a specified user of the BITS Report. COUNTY shall be responsible for all reasonable expenses incurred in connection with the provision of the BITS Report to COUNTY as a specified user. Subject to TEX. GOV'T CODE ANN., Chapter 552 *et seq.*, as amended, COUNTY agrees that COUNTY will not circulate, quote, disclose, or distribute to, nor shall reference to the BITS Report be made by COUNTY to, any person or entity other than COUNTY. In the event that COUNTY has any questions regarding the BITS Report, VENDOR shall make appropriate personnel reasonably available to discuss the contents of the BITS Report.
15. *PHI or EPHI Amendment.* Within ten (10) business days of receipt of notification, VENDOR agrees to incorporate any amendments, corrections, or additions to the PHI or EPHI (that VENDOR maintains in a Designated Record Set) received from or created, compiled, or used by COUNTY pursuant to this BAA when notified in writing by COUNTY that the PHI or EPHI is inaccurate or incomplete, or that other documents are to be added as required or allowed by the Privacy and Security Requirements.
16. *Documentation of Disclosures.* VENDOR agrees to document disclosure of PHI or EPHI and information related to such disclosures as is necessary for COUNTY to respond to a request by an individual for an accounting of disclosures of PHI or EPHI in accordance with 45 C.F.R. § 164.528, as amended.
17. *Termination Procedures.* Upon termination of this BAA for any reason, VENDOR agrees to deliver all PHI or EPHI received from COUNTY or created, compiled, or used by VENDOR pursuant to this BAA within thirty (30) days from the date of termination, or, if specially requested to do so by COUNTY in writing, to destroy all PHI or EPHI and confirm in writing that all PHI and EPHI not returned has been destroyed, within the time frame determined by COUNTY, which will be no less than thirty (30) days from the date of the notice of termination. This provision applies when VENDOR maintains PHI or EPHI from COUNTY in any form. If VENDOR determines that transferring or destroying the PHI or EPHI is infeasible (such as in the event that the retention of such PHI or EPHI by VENDOR is Required by law, regulation, professional standards, or reasonable business practice to evidence VENDOR's services), VENDOR shall retain such PHI or EPHI and, VENDOR agrees:
 - a) to notify COUNTY of the conditions that make transfer or destruction infeasible;

- b) to extend the protections of this BAA to such PHI or EPHI;
 - c) to limit any further uses and disclosures of such PHI or EPHI to those purposes that make the return, or transfer to COUNTY, or destruction infeasible; and
 - d) to return or destroy the PHI or EPHI retained by VENDOR when it becomes feasible.
18. *Notice-Termination.* Upon written notice to VENDOR, COUNTY may terminate any portion of the Agreement under which VENDOR maintains, compiles, or has access to PHI or EPHI. Additionally, upon written notice to VENDOR, COUNTY may terminate the entire Agreement if COUNTY determines, at its sole discretion, that VENDOR has repeatedly violated this BAA.
19. *Obligations.* To the extent VENDOR carries out one or more of COUNTY's obligations under Subpart E of 45 C.F.R. Part 164, VENDOR agrees to comply with the requirements of Subpart E that apply to COUNTY in the performance of such obligation.
- E. Survival of Privacy Provisions. VENDOR's obligations with regard to PHI and EPHI shall survive termination of this BAA and the Agreement so long as VENDOR maintains any PHI or EPHI.
- F. Amendment Related to Privacy and Security Requirements. The parties agree to take such action as is necessary to amend this BAA if either party, in its reasonable discretion, determines that amendment is necessary for such party to comply with the Privacy and Security Requirements or any other law or regulation affecting the use or disclosure of PHI or EPHI. The parties shall negotiate in good faith an amendment to this BAA as may be necessary for each party to comply with changes in such law, regulation or rule. Either party may terminate this Agreement for convenience without incurring liability, penalty, or recourse related thereto upon thirty (30) days prior written notice in the event that the parties do not enter into an amendment within a reasonable timeframe that complies with such law, regulation, or rule. Any ambiguity in this BAA shall be resolved to permit the parties to comply with the applicable Privacy and Security Requirements.
- G. **Intentionally Omitted**
- H. Electronic Mail Addresses. VENDOR affirmatively consents to the disclosure of its e-mail addresses that are provided to COUNTY, including any agency or department of COUNTY. This consent is intended to comply with the requirements of the Texas Public Information Act, TEX. GOV'T CODE ANN. § 552.137 *et seq.*, as amended, and shall survive termination of this BAA. This consent shall apply to e-mail addresses provided by VENDOR and agents acting on behalf of VENDOR and shall apply to any e-mail address provided in any form for any reason whether related to this BAA or otherwise.
- I. Notices. Any notice required to be given pursuant to the terms and provisions of this BAA will be in writing and deemed to be given: (a) upon receipt when sent by U.S. Mail (Certified or Register mail, postage paid, return receipt requested), or (c) upon receipt by commercial delivery service, and addressed as follows, or to such address as either party may subsequently designate to the other party in writing:

If to COUNTY:

Harris County Privacy Officer
Human Resources
Harris County Budget Management Department
1310 Prairie, 2nd Fl.
Houston, TX 77002

And to such Harris County agency or agencies for which services are performed under the Agreement.

If to VENDOR:

Deloitte & Touche LLP
1111 Bagby, Suite 4500
Houston, TX 77002

Attn: Ross T. Johnson

- J. Except as otherwise limited in this BAA, VENDOR may use or disclose Protected Health Information it creates or receives from or on behalf of COUNTY to provide the services to or on behalf of COUNTY set out in the Agreement to which this BAA is attached.

This BAA is effective on the date the Agreement is effective or on the later date the Agreement is signed by the parties and this BAA survives the termination of the Agreement for as long as VENDOR has retains PHI or EPHI.

- K. COUNTY will not disclose any PHI or other information to VENDOR, if such disclosure would violate HIPAA or any applicable state law. COUNTY shall not request VENDOR to use or disclose PHI in any manner that would not be permissible under HIPAA if done by COUNTY.
- L. Nothing contained in this BAA is intended to confer upon any person (other than the parties hereto) any rights, benefits, or remedies of any kind or character whatsoever, whether in contract, statute, tort (such as negligence), or otherwise, and no person shall be deemed a third-party beneficiary under or by reason of this BAA.

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

ORDER OF COMMISSIONERS COURT
Authorizing Agreement with Deloitte & Touche LLP

The Commissioners Court of Harris County, Texas, met in regular session at its regular term at the Harris County Administration Building in the City of Houston, Texas, on AUG 09 2016, with all members present except JONE

A quorum was present. Among other business, the following was transacted:

ORDER AUTHORIZING EXECUTION OF AGREEMENT
WITH DELOITTE & TOUCHE LLP

Commissioner Cagle introduced an order and moved that Commissioners Court adopt the order. Commissioner Morman seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

	Yes	No	Abstain
Judge Ed Emmett	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Gene L. Locke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Jack Morman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Steve Radack	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. R. Jack Cagle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order adopted follows:

IT IS ORDERED that:

- The Harris County Judge is authorized to execute on behalf of Harris County an Agreement between Harris County and Deloitte & Touche LLP for Deloitte & Touche LLP to provide auditing services for County and Harris County Flood Control at a cost to the County not to exceed \$608,000.00. The Agreement is incorporated by reference and made a part of this order for all intents and purposes as thought set out in full word for word.
- All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purposes of this order.

Presented to Commissioner's Court
AUG 09 2016
APPROVE clm
Recorded Vol _____ Page _____

ORDER OF COMMISSIONERS COURT
Authorizing execution of an Agreement

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the ____ day of _____, 2021 with all members present except _____.

A quorum was present. Among other business, the following was transacted:

**ORDER AUTHORIZING EXECUTION OF FIRST AMENDMENT TO THE
AGREEMENT BETWEEN
HARRIS COUNTY, HARRIS COUNTY FLOOD CONTROL DISTRICT AND
DELOITTE AND TOUCHE LLP**

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

Vote of the Court	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Judge Hidalgo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Ellis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Ramsey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Cagle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

IT IS ORDERED that County Judge Lina Hidalgo be, and is hereby, authorized to execute for and on behalf of Harris County, the amendment to the Agreement between Harris County, Harris County Flood Control District and Deloitte & Touche LLP; to furnish auditing services for Harris County and Harris County Flood Control District in accordance with Request for Quotation "RFQ" 15/0225; to amend the terms of the previous Agreement and to extend the term until November 30, 2021; for Six Hundred Sixty-Eight Thousand and No/Dollars (\$668,000.00) in appropriated funds; under the same terms and conditions specified in the attached Agreement, incorporated herein as though fully set forth word for word.

All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order.