



June 28, 2018

Proposal to provide professional auditing services to:

City of Gainesville, Florida

RFP No. CAUD-190002-DH

Prepared by:

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WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

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June 28, 2018

City of Gainesville
General Government Purchasing
200 East University Avenue, Room 339
Gainesville, FL 32601

Thank you for inviting us to propose our services to you. CliftonLarsonAllen (CLA), gladly welcomes the opportunity to share our approach to helping the City of Gainesville, Florida (the City) meet its need for professional services. The enclosed proposal responds to your request for professional auditing services for the general government for a period of two (2) fiscal years beginning with the fiscal year ending September 30, 2017. At the end of the contract period, upon satisfactory performance, the City may, at its option, negotiate and extend the contract(s) for up to two (2) additional two (2) year periods.

After reviewing your Request for Proposal (RFP), CLA understands your broader objectives are to retain a service provider that has a deep understanding of governmental accounting and financial reporting, successfully serves municipalities similar in size and complexity to the City, and is committed to performing the work in the requested timeframe. We are confident our proposal not only addresses your need for professional audit services, but also demonstrates our strong capabilities in serving municipal clients, developed during our more than 60 year history of working with municipalities.

At CLA, our greatest strengths correspond to your most critical needs; we possess the full spectrum of resources needed to most effectively help the City meet its goals – all at a competitive rate. We believe we are the most qualified firm to audit the City because of:

- ***Every Step of the Way.*** Our CLA promise is “to know you and help you.” We are dedicated to our clients, working with them every step of the way. We do this by delivering our work in an exceptional manner, caring enough to engage in a personal conversation and really listen to what our clients say, and responding with the full breadth of our firm’s capabilities in the services we provide to every municipality we serve. Our professionals are dedicated to the clients they serve, combining innovative solutions with tailored approaches and in-depth experience to meet the needs of our clients. Our focus is always to create a lasting relationship with our clients and to be there to aid them in their success.
- ***National Footprint with a Strong Florida Presence.*** As one of the nation’s leading professional services firms, and one of the largest firms that specialize in the public sector, we understand how crucial it is to leverage our resources so that our clients get the personal, local touch they need. Along with the experience and resources of more than 5,500 employees in over 110 locations, ***we have 7 offices that serve the state of Florida.*** We are committed to bringing the City the most qualified professionals, utilizing industry leaders from across the firm to provide on-site, hands-on knowledge and strategies. Our professionals are carefully selected for our clients, allowing us to bring people familiar with local regulations, reporting requirements, business activities, and structure. The City will have the ability to access one of the country’s largest and most knowledgeable pools of public sector resources while still having a team right there with you.
- ***Specialized Government Insight and Resources.*** With 60 years of experience in the state and local government industry, CLA has one of the largest governmental audit and consulting practices in the country. We bring extensive experience providing a variety of audit and consulting services to state and

local government entities, including internal control audits, agreed-upon procedures, compliance audits, financial statement audits, and single audits. ***Our Government Services Team serves more than 2,100 governmental entities nationwide, including cities, counties, states and state agencies, and school boards.***

- ***Uniform Guidance Experience.*** CLA performs Uniform Guidance (formerly A-133) single audits for hundreds of organizations annually, ***ranking first in the nation for the number of single audits performed by any CPA firm.*** The single audit requires a specific set of skills in order to properly perform the procedures. As such, we have developed a group of professionals who specialize in providing single audit services. This group is well-versed in both financial and compliance reporting of grants. Your need for single audit services falls directly into one of CLA's greatest strengths.
- ***Ability to Meet Deadlines.*** ***We are well-balanced when it comes to workload issues, and have never had a problem meeting client deadlines.*** We focus on proven project management techniques to ensure all parties (City departments and CLA) stay on track and accountable to each other. We understand the sense of urgency required in meeting both internally imposed and external regulatory deadlines and assist clients in making the audit process more efficient to ensure a smooth, timely process. CLA does not provide financial auditing services to public companies, so 100% of focus is on meeting your deadlines. Our staff and management are committed to your job until it is done. We do not redeploy resources to "more important" clients in different industries to make our business model work. The Public Sector is one of our major practice areas.
- ***Fresh Perspective.*** By engaging CLA, the City will benefit from a "fresh look" at its business operations, information systems, and financial and risk management policies and procedures. You will be served by an engagement team with enthusiasm and a desire to meet and exceed expectations. We are confident that our industry experience will bring to the City new ideas, creative approaches, and fresh opportunities to meet the financial management and accountability challenges before the City.

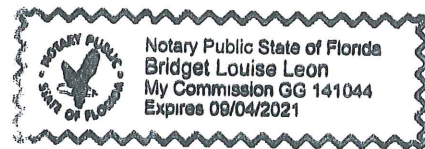
We are eager to work with you and welcome the chance to present our proposal to the City. As requested in the City's RFP NO. CAUD-190002-DH, Andrew P. Laflin, engagement principal, is legally authorized to enter into a contractual relationship on behalf of CLA. If you have any questions about our offerings, please do not hesitate to contact me.

Sincerely,

CliftonLarsonAllen LLP



Andrew P. Laflin, CPA
Principal
813-384-2711
andrew.laflin@CLAconnect.com



Bridget Leon
6/27/18



Firm Profile

CLA is a national Limited Liability Partnership firm incorporated in the State of Minnesota with more than 110 local sites that house over 5,400 people. Additionally, we have a global affiliation via Nexia, bringing to the City all together a wide array of approaches to help clients in all markets, foreign and domestic.



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Established on January 2, 2012, CLA continues the legacy of quality, service, and experience that each Clifton Gunderson and LarsonAllen has built for more than 60 years. The joint firm is unique in the industry due to its deep industry specialization, seamless integrated capabilities, primary focus on privately held businesses and their owners as well as governmental and nonprofit organizations, and career-building strategy.

CLA is not a headquartered firm — there is not a place from which the firm is controlled or directed. Leadership, ownership, and entrepreneurship permeate the firm, independent of location. We continue to hold true to the values and culture that have made the individual practices successful in the past.

We promise
to know you and help you.

CLA delivers integrated wealth advisory, outsourcing, audit, tax, and consulting services to help clients succeed professionally and personally. Our broad professional services allow us to serve clients more completely — from startup to succession and beyond.

CLA is not a parent or subsidiary in a group of firms/agencies.

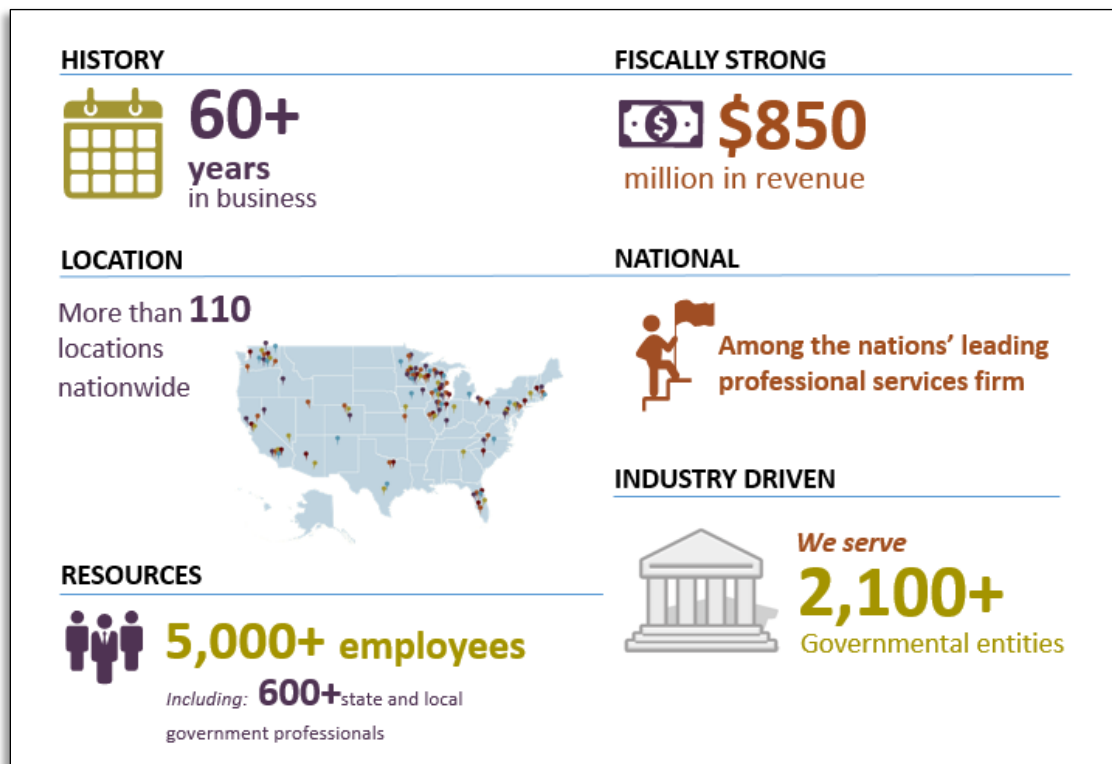


Figure 1. Firm Capabilities. According to Accounting Today, CLA is the ninth largest firm in the United States by revenue. With a nationwide network, CLA is here to help support the City's needs.



Location of engagement office

With CLA, the City will benefit from the experience and resources of a national firm, while establishing a local relationship with our offices that are a part of the Florida community.



CLA believes that providing our clients with professionals that have a passion and dedication to the State and Local Government industry, regardless of physical location, ensures that our clients receive a higher quality of service than our competitors. These State and Local Government leaders are integrated with our local Florida office teams, and as such, your potential engagement team has been selected from our nationwide team of professionals specializing in governmental auditing services to lead the local team members and specifically align with the needs of the City.

The Tampa office located at 201 North Franklin Street, Suite 2500, Tampa, FL 33602, will be the office location from which the project will be headquartered from, but our governmental services team in Florida works as integrated unit and the Tampa office will be assisted by team members from our 6 other Florida offices to ensure that the City receives a team that fits their need, regardless of location. The official business hours of our Tampa office are Monday through Friday from 8 am until 5:30 pm. Our Florida office locations are as follows:

Tampa	201 North Franklin Street, Suite 2500, Tampa, FL 33602 Phone 813-384-2700, Fax 813-384-2750
Fort Myers	12800 University Drive, Fort Myers, FL 33907 Phone 239-226-9900, Fax 239-226-9950
Lakeland	402 S. Kentucky Avenue, Suite 600, Lakeland, FL 33801 Phone 863-680-5600, Fax 863-680-5650
Naples	4099 Tamiami Trail North, Suite 300; Naples, FL 34103 Phone 239-262-8686, Fax 239-262-7343
Orlando	420 South Orange Avenue, Suite 500, Orlando, FL 32801 Phone 407-802-1200, Fax 407-802-1250
Sebring	435 S. Commerce Avenue, Sebring, FL 33870 Phone 863-385-1577, Fax 863-385-0647
Winter Haven	141 Avenue C SW, Suite 160, Winter Haven, FL 33880 Phone 863-294-4131, Fax 863-294-3927

The number of professionals staffed in these offices is as follows:

Staffing	Tampa	Fort Myers /Naples	Lakeland	Orlando	Sebring	Winter Haven
Principals	7	9	6	16	1	1
Directors/Managers	8	12	10	16	2	3
Seniors	15	13	9	20	1	2
Associates	12	24	3	20	4	1
Other Professionals	13	10	16	22	3	3
Total	55	68	44	94	11	9



Independence

CliftonLarsonAllen LLP (“CLA”) is independent of the City of Gainesville (the “City”) as required by auditing standards generally accepted in the United States and the U.S. Government Accountability Office’s *Government Auditing Standards*. Our firm-wide quality control policies and procedures foster strict compliance with these professional standards. In addition, the individuals assigned to your audit are independent of the City.

CLA’s A&A Services Handbook includes detailed procedures designed to maintain compliance with independence requirements and to avoid conflicts of interest. Our policies are extensive and designed to meet the requirements of the American Institute of Certified Public Accountants (AICPA), the U.S. Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB), state licensing agencies, and the U.S. Government Accounting Office’s *Government Auditing Standards*. Some of the key elements of our policies are:

- Independence training for all professionals
- Annual written representations of independence from all personnel who perform client services
- Extensive client and engagement acceptance and continuance policies
- Separate sections in our policies specific to independence over SEC engagements and engagements subject to *Government Auditing Standards*
- Requirements for confirming independence of outside accounting firms and independent contractors
- Maintenance of a firm-wide client list and a restricted entities list

CLA is not aware of any professional relationships involving the City for the past five (5) years. Additionally, CLA shall give the City written notice on any professional relationships entered into during the period of this engagement.



Certification of License to Practice

CliftonLarsonAllen LLP (CLA) is a limited liability partnership and is duly licensed to practice public accountancy in the State of Florida and other states. Key professional staff are also properly licensed to practice in the State of Florida. A copy of the Florida CLA Board of Accountancy licensing is pictured below:

The screenshot displays the Florida DBPR Online Services interface. At the top left is the 'Florida dbpr' logo. To the right is a banner image of the Florida State Capitol building with the text 'DBPR ONLINE SERVICES'. Below the banner is a navigation bar with 'Log On' and 'Home' links, and a timestamp '11:15:17 PM 12/20/2017'. A left-hand menu lists various actions: 'Search for a Licensee', 'Apply for a License', 'View Application Status', 'Find Exam Information', 'File a Complaint', 'AB&T Delinquent', 'Invoice & Activity', and 'List Search'. The main content area is titled 'Licensee Details' and contains two sections: 'Licensee Information' and 'License Information'. The 'Licensee Information' section lists: Name: CLIFTONLARSONALLEN LLP (Primary Name), Main Address: 220 S 6TH STREET, SUITE 300, ATTN: BETH SPENCER, MINNEAPOLIS Minnesota 55402-1436, County: OUT OF STATE, License Mailing: (blank), and LicenseLocation: (blank). The 'License Information' section lists: License Type: FIRM, Rank: CPA Firms, License Number: AD0005891, Status: Current, Licensure Date: 02/01/1991, and Expires: 12/31/2019. Below this is a 'Special Qualifications' section with 'Partnership' effective 01/03/2012. There is also an 'Alternate Names' section which is currently empty. At the bottom of the page, there are links for 'View Related License Information' and 'View License Complaint'. A footer at the very bottom provides the address '2601 Blair Stone Road, Tallahassee FL 32399', email 'Customer Contact Center', and phone number '850.487.1395'.

Licensee Information	
Name:	CLIFTONLARSONALLEN LLP (Primary Name)
Main Address:	220 S 6TH STREET, SUITE 300 ATTN: BETH SPENCER MINNEAPOLIS Minnesota 55402-1436
County:	OUT OF STATE
License Mailing:	
LicenseLocation:	

License Information	
License Type:	FIRM
Rank:	CPA Firms
License Number:	AD0005891
Status:	Current
Licensure Date:	02/01/1991
Expires:	12/31/2019

Special Qualifications	
Partnership	01/03/2012

Alternate Names	

[View Related License Information](#)
[View License Complaint](#)

2601 Blair Stone Road, Tallahassee FL 32399 :: Email: [Customer Contact Center](#) :: Customer Contact Center: 850.487.1395



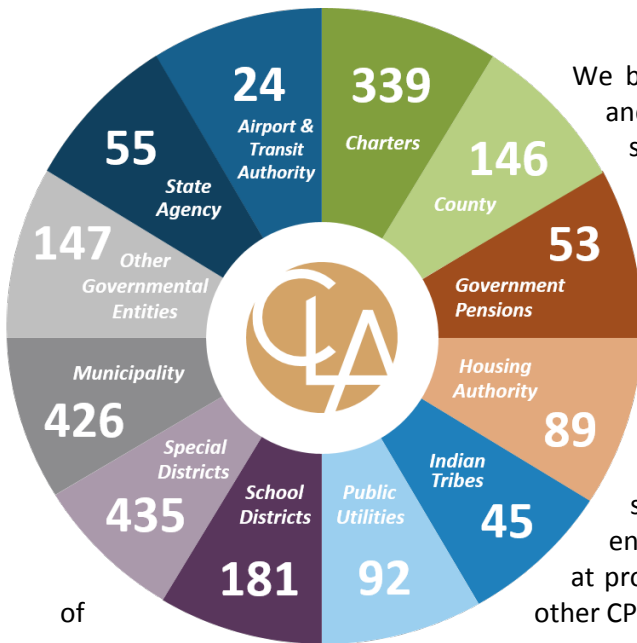
Firm Qualifications and Experience with Other Government Entities

Experience With Governmental Entities

CLA is a leader in the state and local government industry, offering the credibility, reputation, and resources of a leading professional services firm — without sacrificing the small-firm touch.

CLA has one of the largest governmental audit and consulting practices in the country, serving more than 2,100 governmental clients nationwide, including over 400 cities and towns Public sector clients represent approximately one-quarter of all firm-wide revenue, and each of the government services team members are thoroughly versed in the issues critical to complex governmental entities.

Position the City to provide effective and efficient governmental services to your constituents.



We bring unsurpassed levels of technical excellence, commitment, and dedication to our clients, which have made us one of the most successful CPA firms serving governmental entities. Our strong reputation for serving state and local government units provides the City the confidence in their decision to select CLA as their professional service provider.

Our professionals have deep, technical experience in serving governmental entities. As a CPA firm experienced in serving state and local units of government, we are very aware of the financial and legal compliance requirements that government officials are faced with daily. This creates complexities and service issues within a unique operational and regulatory environment. Because of our experience, we have become adept at providing our clients with insights in this environment not typical other CPA firms.

Any CPA firm can provide audit and accounting services, but few specialize in the area of accounting and auditing for local government entities like we do.

GFOA Certificate of Excellence in Financial Reporting

The Government Finance Officers Association (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting is awarded to state and local governments that go beyond the minimum requirements of generally accepted accounting principles. It is awarded to state and local governments who produce a comprehensive annual financial report that evidences the spirit of transparency and full disclosure. Members of the GFOA staff and the GFOA Special Review Committee (SRC) review reports submitted to the CAFR program.

CLA provides audit services to many entities that received the GFOA Certificate of Excellence in Financial Report. All of the procedures noted in our audit approach and our technical review of the CAFR are done to help the City prepare and publish the top product possible. Our managers and principals who review the CAFR have a strong understanding of the GFOA requirement for the certificate. We understand that this is a prestigious award for the City and a great accomplishment for the Finance and Accounting departments.



We will review the GFOA comment letter for the CAFR and provide the City advice regarding the response to the GFOA reviewer's comments. Our procedures with respect to the CAFR will be the review of the comments from GFOA on the prior year submission to determine they were adequately addressed, completion of the CAFR checklist, and review of the transmittal letter and statistical data to determine that information presented is reasonable and agrees with the information in the financial statements and management's discussion and analysis (MD&A), where applicable.

We understand the interrelationships of the many and varied components of a governmental entity's financial statements, allowing us to quickly determine errors or problems with the financial statements. Our depth of knowledge and experience also allows us to assist the City with the preparation of the CAFR and improvement of the City's financial statements.

Our involvement with clients in the GFOA Certificate program helps to determine that we are on the leading edge of reporting trends and techniques. We have been engaged by various entities to review their statements for compliance with program requirements. We have aided clients in the early implementation of professional pronouncements and regularly provide our clients with updates on new pronouncements which will affect them and will do the same for the City.

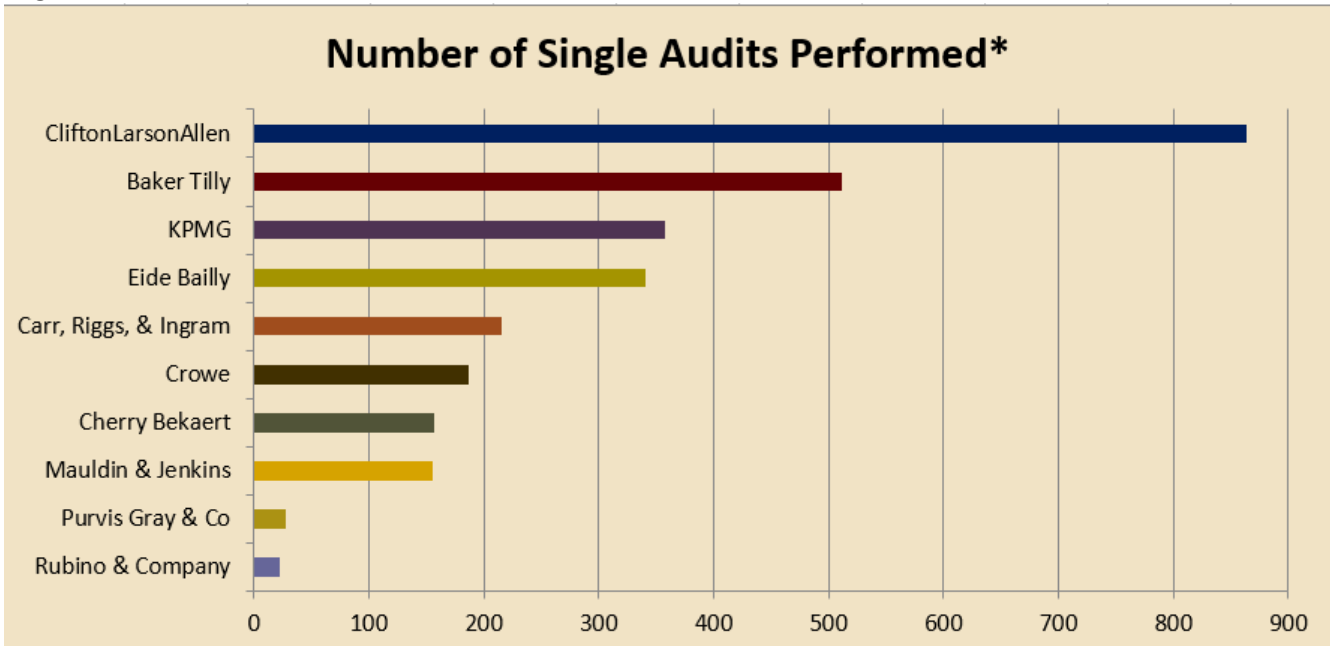
The table below identifies the professionals who are currently members of the GFOA Special Review Committee:

Name	Title	Location	Years of Experience
Carrie Bartow, CPA, CGMA	Principal	Colorado Springs, CO	15+
Christian J. Rogers, CPA	Principal	Lexington, MA	20+
Christopher G. Knopik, CPA, CFE	Principal	Minneapolis, MN	13+
David P. Phillips, CPA	Principal	Tucson, AZ	33+
Jacob S. Lenell, CPA	Principal	Milwaukee, WI	10+
Jeffrey Peek, CPA	Senior Manager	Roseville, CA	12+
Julie S. Fowler, CPA	Signing Director	Sebring, FL	18+
Michelle Hoffman, CPA	Manager	Minneapolis, MN	8+
Miranda Wendlandt, CPA, CFE	Manager	Alexandria, VA	8+
Remi Omisore, CPA	Principal	Baltimore, MD	11+
Rich Gonzalez, CPA	Principal	Roseville, CA	18+
Sean M. Walker, CPA, CGFM, CGMA	Principal	Baltimore, MD	16+
Walker D. Wilkerson, CPA	Principal	Lakeland, FL	25+



Single Audit Experience

CLA has become the national leader in providing audit, tax and many other financial services to government entities similar to the City. Our client portfolio of government and nonprofit organizations represents nearly half of the firm's total revenues. You will benefit from CLA's experience in this area. As outlined in the following table, **CLA performs more single audits annually than any other firm in the nation.** We audited more than **\$28.8 billion dollars in federal funds.** The table below illustrates CLA's experience in serving organizations that receive federal funds and demonstrates our firm's dedication to serving nonprofits and governmental organizations:



*The information for the firms above was pulled from the Federal Audit Clearinghouse for audits with fiscal year ends between January 1, 2016 – December 31, 2016.

In the current environment of increased oversight, it is more important than ever to find qualified auditors who have significant experience with federal grants specific to the City and can enhance the quality of the City's single audit. Therefore, the single audit will be performed by a team of individuals who are managed by personnel who specialize in single audits in accordance with OMB's UG and who will offer both knowledge and quality for the City. As part of our quality control process, the single audit will be reviewed by a firm Designated Single Audit Reviewer.

The AICPA clarified auditing standard, AU-C 935 "Compliance Audits" requires risk-based concepts to be used in all compliance audits including those performed in accordance with OMB UG. Our risk-based approach incorporates this guidance.

Professionals working in CLA's Florida practice are also familiar with the requirements of the Florida Single Audit Act, the Rules of the Florida Auditor General, and the Department of Financial Services Compliance Supplement. Many of the clients we work with in Florida are audited under both the Federal and Florida Single Audit each year. Our team is ready to meet your needs for these compliance services.

The County needs an audit firm experienced in performing single audits and a familiarity with the specific programs in which you are involved. You will benefit from CLA's experience in this area!



Industry Participation and Thought Leadership

CLA actively supports industry education as a thought leader and industry speaker. Our firm focuses on supporting the educational needs of the industry through nationally sponsored trade events. Our team of governmental professionals is sought after, both as educators and as experienced speakers who are invited to speak and teach at major professional events by leading trade associations.

Participation in Quality Improvement Programs

We work with governmental entities across the country, and our exposure to the circumstances and issues that surround your industry will allow us to serve you with unparalleled knowledge and insight. We understand the specific needs and challenges of the public sector and have been serving clients similar to the City for decades.



Andrew Laflin, your engagement principal, routinely presents at the annually and quarterly conferences of the Florida GFOA. Also, **Chris Kessler**, your engagement manager, is an active speaker on governmental accounting and auditing issues throughout the Carolinas and nationally. Chris commonly speaks at local GFOA and AGA conferences, as well as internally for CLA.

We are actively involved in and/or are members of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- AICPA's State and Local Government Expert Panel
- AICPA's Government Audit Quality Center (GAQC)
- Government Finance Officers Association (GFOA)
- Special Review Committee for the GFOA's
- Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program
- AICPA Single Audit Quality Task Force
- Association of Government Accountants



Our participation/membership in the aforementioned professional organizations, combined with various other technical services we subscribe to, allows use to be at the forefront of change in the government environment. We take seriously our responsibility for staying current with new accounting pronouncements, auditing standards, other professional standards and laws and regulations.

Thought Leadership and Industry Information

CLA goes beyond the numbers and offers value-added strategies. You will hear from us throughout the year. We send periodic email publications and host webcasts to keep clients and friends of the firm informed of relevant industry updates. Below are just a few of the resources we offer:

- ✓ **State and Local Government Perspectives** — A periodic e-newsletter providing news, tips, strategies, insights, and updates on regulatory and industry issues as well as subjects relevant to government entities.
- ✓ **National Industry Webcasts** — Web-based seminars designed to provide information on upcoming industry trends, accounting, tax, risk, and other issues in either the accounting or public sector industry. Many of webcasts are complimentary and some provide attendees with an opportunity to obtain CPE credit.



- ✓ **Speaking Engagements and Workshops** — We share our industry knowledge and experience by presenting at national, regional, and local events, as well as hosting our own industry events in various markets. We provide quality insight and education in the areas of improving profitability, reducing risk, building business value, and planning for succession.
- ✓ **Recent Industry Articles** — In addition to our direct participation with national organizations, CLA has had numerous articles published by our public sector industry professionals.
- ✓ **In-Person Events** — Annual economic, capital markets, and tax outlook seminars are presented by local professionals and CliftonLarsonAllen Wealth Advisors, LLC investment committee members.

Investment Advisory Services offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

You can register for our webcasts and find our extensive resource library on our website, CLAcconnect.com.

Potential Opportunities for Continuing Professional Education Credits

There are numerous ways in which we can provide the City with education, all mostly incorporated within our standard fee. Below are just a few of potential continuing professional education opportunities we offer:

- **Annual Government Training Academy** - CLA holds an Annual Government Training Academy, an intensive, one day session. This training academy offers learning opportunities in an intensive, one day session. Attendees gain knowledge and insight to help individuals navigate the complex accounting and financial reporting issues facing many local governments. The conference features sessions on a broad spectrum of governmental agency concerns, from GASB updates to economic forecasts, from accounting policies and procedures to a Yellow Book update. Treasurers, controllers, superintendents, and others in government finance are encouraged to attend the conference.



In May of each year, we host a Government Training Academy offering 8 hours of CPE credits designed for Florida local governments. Our last conference was held on May 10 in Tampa and May 11 in Ft. Myers. Topics included a GASB update, Best Practices in Budgeting, Common Single Audit Findings, and Workplace Dynamics. We highly encourage anyone interested from the City of Gainesville to attend our annual event!

- **Webinars** - We provide live and recorded webinars, as well as year-round email alerts, regarding news specific to public sector or issues that may affect the City.
- **National Industry Webcasts** — Web-based seminars designed to provide information on upcoming industry trends, accounting, tax, risk, and other issues in either the accounting or state and local government industry. Many of webcasts are complimentary and some provide attendees with an opportunity to obtain CPE credit.



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Additional Services

In addition to the services outlined in the Scope of Services for this proposal, CLA collectively offers a wide breadth of highly-customized services and capabilities to meet our State and Local Government clients' wants and needs, including a sampling of the following:

- IT security and network vulnerability assessments
- Fraud risk assessment and investigations
- Internal audit, risk assessments, and evaluations
- Financial statement and forensic audits
- Strategic, financial, and operational consulting
- Implementation assistance for complex accounting standards
- Outsourced accounting and public administration
- Affordable Care Act ("ACA") Reporting
- Strategic, business, and capital planning
- Operational and financial systems consulting
- Organizational and financial health assessment
- Operations and performance improvement
- Training and educational seminars
- Self-insured medical and PBM claim audits
- Telecom cost savings assessments



Firm's local governmental audit experience within the State of Florida

The following is a listing of 5 references for audit services similar in size and scope to the City's project performed within the last 5 years by one or more of the proposed engagement team members:

Name & Location:	Lee County, Florida
Date of Service:	2014 – Present
Scope of Services:	Audit of financial statements in accordance with Government Auditing Standards; Uniform Grant Guidance and the Florida Single Audit Act; pre-issuance review of CAFR.
Principal Client Contact:	Terry Mallow, Chief Financial Control Officer Email: tmallow@leeclerk.org, Phone: 239-533-2184
Engagement Team Members:	Martin Redovan, Principal, Chris Kessler, Manager, Sue Pagan, Director, Dani Springfels, Senior
Total Hours:	3,500
Name & Location:	Sarasota County, Florida
Date of Service:	2009 – Present
Scope of Services:	Audit of financial statements in accordance with Government Auditing Standards; Uniform Grant Guidance and the Florida Single Audit Act; pre-issuance review of CAFR.
Principal Client Contact:	Nicole Jovanovski, Finance Director Email: njovanov@scgov.net, Phone: 941-861-5184
Engagement Team Members:	Andrew Laflin, Principal, Martin Redovan, Principal, Sue Pagan, Director, Kim Poblete, Senior, Dani Springfels, Senior
Total Hours:	2,000 (joint audit performed with another firm; 2,000 hours is CLA's portion)
Name & Location:	City of Cape Coral, Florida
Date of Service:	2011 – Present
Scope of Services:	Audit of financial statements in accordance with Government Auditing Standards; Uniform Grant Guidance and the Florida Single Audit Act; pre-issuance review of CAFR.
Principal Client Contact:	Laura Tanner, Senior Accounting Manager Email: ltanner@capecoral.net, Phone: 239-574-0494
Engagement Team Members:	Andrew Laflin, Principal, Martin Redovan, Principal, Sue Pagan, Director
Total Hours:	1,000



Name & Location:	City of Safety Harbor, Florida
Date of Service:	2015 – Present
Scope of Services:	Audit of financial statements in accordance with Government Auditing Standards; Audit of Emergency Medical Services (EMS) Schedule of Receipts and Disbursements; Assistance with preparation of CAFR.
Principal Client Contact:	June Solanes, Director of Finance Email: jsolanes@cityofsafetyharbor.com, Phone: 727-724-1555 ext. 1222
Engagement Team Members:	Andrew Laflin, Principal, Sue Pagan, Director, Kim Poblete, Senior
Total Hours:	450
Name & Location:	City of New Port Richey, Florida
Date of Service:	2015 – Present
Scope of Services:	Audit of financial statements in accordance with Government Auditing Standards; Uniform Grant Guidance and the Florida Single Audit Act; pre-issuance review of CAFR.
Principal Client Contact:	Crystal Feast, Finance Director Email: feastc@cityofnewportrichey.org, Phone: 727-853-1053
Engagement Team Members:	Andrew Laflin, Principal, Sue Pagan, Director, Kim Poblete, Senior
Total Hours:	600

Florida governmental audit experience

Government organizations are a dynamic, unique area of accounting, and require constant attention and monitoring. It is our knowledge of your industry that is crucial to offering actionable solutions. As a firm with nearly 60 years of experience, we possess an extensive understanding of your challenges and are able to respond promptly and effectively to help meet them. The following is a partial list of governmental entities that **we have provided financial auditing services for in the State of Florida within the last 3 years:**

Florida Municipalities	
City of Arcadia	City of New Port Richey
City of Avon Park	Town of Redington Beach
City of Cape Coral	City of Safety Harbor
City of Brooksville	City of Sanibel
City of Fort Myers	City of Temple Terrace
Town of Fort Myers Beach	City of Winter Haven
City of Moore Haven	City of Zephyrhills



Florida Counties	
Glades County	Lee County
Citrus County	Okeechobee County
Collier County	Pasco County
Hardee County	Polk County
Highlands County	Sarasota County
Other Florida Government Entities	
Avon Park Housing Authority	Hillsborough Area Regional Transit Authority
Bartow Housing Authority	Hillsborough County Aviation Authority
Captiva Island Fire Control	Key West Housing Authority
Central Florida Regional Planning Council	Lake Wales Housing Authority
Collier Mosquito Control	Matlacha and Pine Island Fire Control
Clearwater Downtown Development Board	Moore Haven Mosquito Control District
Delray Beach Housing Authority	Naples Airport Authority
Englewood Water	Pasco County Housing Authority
Estero Fire District	Pinellas Construction Licensing Board
Hardee County Industrial Development Auth.	Pinellas County Planning Council
Hardee County School Board Internal Funds	Pinellas County Metropolitan Planning Organization
Hardee Soil and Water District	Pinellas Suncoast Transit Authority
Heartland Library Cooperative	Polk Regional Water Cooperative
Hendry County School District Internal Funds	Sanibel Public Library
Hernando County Housing Authority	Sebring Airport Authority
Highlands County Health Facility Authority	South Fork Community Development District
Highlands County Hospital District	Tampa Bay Area Regional Transportation Authority

Audit Engagements Served by CLA Nationally

Our 600 state and local government professionals serve more than 2,000 local, county, and state government agencies. The public sector has been a primary focus for us for more than 60 years. We understand the legislative changes, funding challenges, compliance responsibilities, and risk management duties that impact our state and local government clients.

Our government audit clients include: state departments, counties, cities, villages, towns, boards of education, public libraries, colleges, school districts, special taxing districts and authorities throughout the nation. With one of the largest public sector audit practices in the country, the members of our government services team have an extensive depth of experience auditing entities similar to the City. The following provides a partial list of governmental clients served by CLA for audit and accounting services:

Municipalities	
City of Mesa, Arizona	City of Galesburg, Illinois
City of Scottsdale, Arizona	City of Annapolis, Maryland
City of Surprise, Arizona	City of Redwood Falls, Minnesota
City of Tucson, Arizona	City of Rio Rancho, New Mexico



City of Arvada, Colorado	City of Asheville, North Carolina
City of Greeley, Colorado	City of Richmond, Virginia
City of Newark, Delaware	City of Virginia Beach, Virginia
City of Decatur, Illinois	City of Kenosha, Wisconsin
Counties	
Gila County, Arizona	Prince George's County, Maryland
Adams County, Colorado	Mower County, Minnesota
Arapahoe County, Colorado	Washington County, Minnesota
Boulder County, Colorado	Los Alamos County, New Mexico
Polk County, Iowa	Buncombe County, North Carolina
Champaign County, Illinois	County of Northampton, Pennsylvania
Anne Arundel County, Maryland	Chippewa County, Wisconsin
Baltimore County, Maryland	LaCrosse County, Wisconsin
Montgomery County, Maryland	Polk County, Wisconsin
States and Other Government Agencies	
Colorado Dept. of Labor and Employment	Minnesota Housing Finance Agency
Colorado Department of Transportation	New Jersey Housing & Mortgage Finance Agency
State of Delaware	Memphis Housing Authority
Commonwealth of Pennsylvania	Wisconsin Housing & Economic Devlp. Authority
State of South Carolina	Central Arizona Water Conservation District
California Housing Finance Authority	Metropolitan Washington Airports Authority
District of Columbia Housing Authority	Washington Metropolitan Area Transit Authority
Federal Housing Finance Agency	State of Vermont
Housing Authority of Baltimore City, MD	Southwest Ohio Regional Transit
Jefferson County Housing Authority, AL	State Retirement Agency of Maryland
Richmond Redevelopment & Housing Auth., VA	North Carolina Office of the State Treasurer

We understand that each governmental entity is unique, and that counties, states, and school districts each have unique characteristics compared to large municipalities. However, we believe it is critically important to demonstrate to you that CLA has the capacity and experience to serve all types of governmental engagements. Large public sector entities typically share certain similar qualities, such as complex IT and accounting systems, multi-layered reporting lines and chains of command, frequent and varied debt issuances, significant intergovernmental agreements, and autonomous component units that have unique relationships with the primary government. CLA and your proposed engagement team have the capacity and experience necessary to successfully monitor and deliver professional auditing experience the City.



Partner, Supervisory, and Staff Qualifications and Experience

An experienced engagement team has been aligned to provide you with the most value for your organization. The team members have performed numerous engagements of this nature and will commit the resources necessary to provide top quality service throughout the engagement. Following are our proposed management team members:

The most important resource any business has is people — the right people.



The City's proposed engagement team is licensed to practice in the State of Florida.



Engagement Team Member	Role
Andrew Laflin, CPA	<i>Engagement Principal</i> – Andrew will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. Andrew is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.
Martin "Marty" Redovan, CPA	<i>Quality Assurance Principal</i> – Marty will serve as a technical resource for the audit team as well as the City's personnel. His many years of working with similar governmental entities will be an invaluable resource.
Chris Kessler, CPA	<i>Engagement Manager</i> – Chris will act as the lead manager on the engagement. In this role, Chris will assist the engagement principal with planning the engagement and performing complex audit areas. He will perform a technical review of all work performed and is responsible for the review of comprehensive annual financial report and all related reports.
Sue Pagan, CPA	<i>Engagement Director</i> – Sue will assist Chris with the management of the single audit. In this role, Sue will perform a technical review of the of the Federal and State Project compliance workpapers and reports.
Kimberly Poblete and Dani Springfels, CPA, CFE	<i>Senior Associates</i> – Kimberly and Dani will be responsible for the day to day audit activities, including the supervision of all staff assigned. Kimberly will be responsible for financial statement audit. Dani will be the senior for the Single Audit.
James "Jim" W. Barton, III, CISA, PCI-QSA, CCSFP	<i>Information Technology Manager</i> – Jim Barton will assist the audit team in documenting and evaluating general computer controls and IT application controls. Jim will work in conjunction with your CLA information technology team to efficiently identify areas of focus to direct our information technology procedures.
Additional Staff – We will assign additional staff to your engagement based on your needs and their experience providing services to state and local governments. Ideally the staff assigned to your team will be from one of our other Florida offices with state and local government as their industry focus at CLA.	

Detailed resumes are available on the following pages of this proposal.

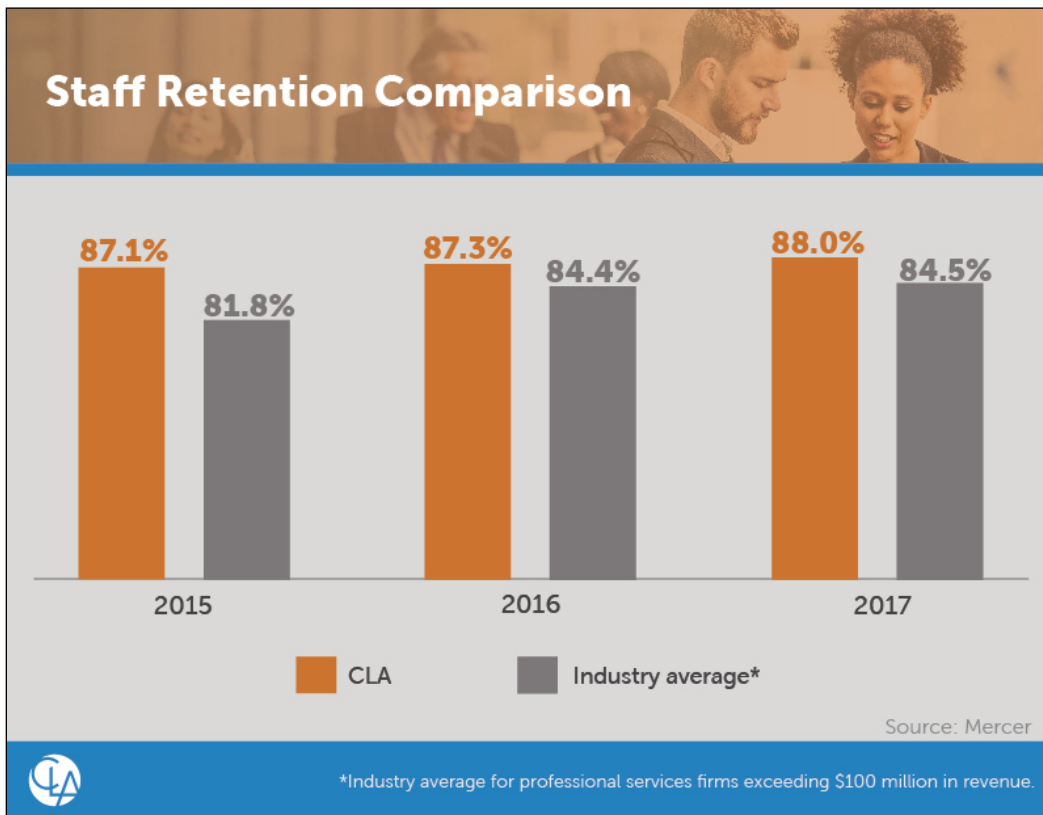


Continuity of Service

We are committed to providing continuity throughout this engagement. It is our policy to maintain the same staff throughout an engagement, providing maximum efficiency and keeping the learning curve low. We are also flexible in exploring alternative strategies to non-mandatory rotation policies.

In any business, however, turnover is inevitable. When it happens, we will provide summaries of suggested replacements and will discuss re-assignments prior to finalizing. We have an adequate number of qualified staff members based in our Florida offices to provide the City with quality service over the term of the engagement. We want you to be comfortable with the assigned staff prior to the start of any work and understand that you have the final decision regarding staff replacements.

CLA is committed to maintaining high staff retention rates, which we believe are a strong indicator of service quality. Continuity results in increased efficiency and quality because staff assigned to the engagement will not have to go through a “learning curve” with annual engagements or each new project. Client staff spends less time orienting the engagement team, and more time working toward goals. With a solid, steady engagement team, each year brings the additional benefits of trust and familiarity. High retention rates also indicate that our staff members have the resources they need to perform their tasks and maintain a positive work/life balance.



Andrew P. Laflin, CPA

CliftonLarsonAllen LLP

Engagement Principal



Profile

Andrew is a principal within CLA's state and local government practice in the State of Florida. Andrew has been with CLA since 2008. He has been practicing in the public sector for 9 years and has 14 years of auditing experience. Andrew is a member of AICPA and FICPA and is a licensed CPA in the State of Florida.

Technical Experience

Andrew's practice is entirely devoted to serving Florida local governments, including counties, cities, transportation authorities, and numerous other special districts. He is a frequent speaker at various local and state-wide conferences throughout Florida, primarily affiliated with the Florida Institute of Certified Public Accountants (FICPA) and Florida Government Finance Officers Association (FGFOA). He also has approximately 5 years of teaching experience as an adjunct professor in the fields of financial and cost accounting at the University of Tampa and Hillsborough Community College in Tampa, Florida. During his career he has provided audit and accounting services to:

- | | |
|--|---|
| Belmont Community Development District | Lee County Metropolitan Planning Org. |
| City of Cape Coral * | Manatee County * |
| City of Dunedin * | Pasco County* |
| City of Largo * | Pinellas County Construction Licensing Board |
| City of Safety Harbor * | Pinellas County Metropolitan Planning Org. |
| City of Tampa * | Pinellas County Planning Council |
| City of Temple Terrace* | Pinellas Suncoast Transit Authority* Clearwater |
| Downtown Development Board | Sarasota County * |
| Collier County * | TB Advanced Manufacturing Skills Initiative |
| Hillsborough County Aviation Authority | Tampa Bay Area Regional Transportation Auth. |
| Hillsborough Transit Authority (HART) * | Town of Redington Beach |
| Lake St. Charles Community Dev. District | |

*Receives the GFOA Certificate of Achievement for Excellence in Financial Reporting

Education/Professional Involvement

- Bachelor of Arts in Accounting from the University of Notre Dame
- Master of Accountancy from the University of South Florida
- Certified Public Accountant in the State of Florida since 2/23/2005
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association (GFOA)
- Florida Government Finance Officers Association (FGFOA)
- Adjunct professor in Financial Accounting and Cost/Managerial Accounting at the University of Tampa and Hillsborough Community College



Andrew Laflin, CPA (cont'd)

Continuing Professional Education

Andrew attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Hours
Assurance Quarterly Update - January 2018	1/31/2018	CliftonLarsonAllen LLP	2.0
Independence and Ethics 2017	11/17/2017	CliftonLarsonAllen LLP	2.0
A&A Update for GASB	8/29/2017	CliftonLarsonAllen LLP	2.0
Audit: Be in the Know	8/16/2017	CliftonLarsonAllen LLP	6.5
August 2017 Assurance Update (Webcast)	8/7/2017	CliftonLarsonAllen LLP	2.0
Personal and Professional Ethics for Florida CPAs	6/28/2017	Checkpoint Learning	4.0
Making Connections: The 2017 Regulated Industry Conference PSG breakout	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	8.0
Making Connections: The 2017 Regulated Industry Conference General Sessions	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	6.0
CLA 2017 Florida Government Training Academy (Fort Myers)	5/19/2017	CliftonLarsonAllen LLP (NASBA #108081)	0.0
CLA 2017 Florida Government Training Academy (Fort Myers)	5/18/2017	CliftonLarsonAllen LLP (NASBA #108081)	8.0
January 2017 Assurance Update (Webcast)	1/9/2017	CliftonLarsonAllen LLP (NASBA #108081)	1.5
Assurance Quarterly Update - 2016 Q4 (Webcast)	10/24/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webinar Series: Accounting Complexities Facing Local Government (Webcast)	10/12/2016	CliftonLarsonAllen LLP (NASBA #108081)	0.0
CLA Risks of Occupational Fraud Roundtable (Tampa)	9/16/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webinar Series #4: GASB 72 and Common Financial Statement Mistakes (Group Internet Based)	8/10/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Audit: Back to Basics (Orlando)	8/2/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.0
PSG - State & Local Government (Florida)	7/29/2016	CliftonLarsonAllen LLP (NASBA #108081)	17.0



Program Name	Completion Date	Sponsor	Total Hours
CLA Preparing to Implement the New OPEB Standards - GASB 74 & 75 (Group Internet Based)	7/14/2016	CliftonLarsonAllen LLP (NASBA #108081)	3.0
Assurance Quarterly Update - 2016 Q2 Rebroadcast (Tampa)	6/3/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webinar Series: Single Audit (Webcast)	6/1/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Virtual Conference	5/19/2016	CliftonLarsonAllen LLP (NASBA #108081)	3.5
Participant credit for instructors: CLA 2016 Annual Government Accounting and Audit Update (Tampa)	5/5/2016	CliftonLarsonAllen LLP (NASBA #108081)	5.5
CLA 2016 Annual Government Accounting and Audit Update (Tampa)	5/5/2016	CliftonLarsonAllen LLP (NASBA #108081)	9.0
PSG Webinar Series: Data Analytics (Webcast)	4/6/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webinar Series #1 2016 - PSG Update (Webcast)	2/3/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0



Martin A. Redovan, CPA
CliftonLarsonAllen LLP
Quality Assurance Principal



Profile

Marty has over 37 years of experience serving Florida government clients and he serves as the engagement principal and quality review principal for a wide range of large, complex governmental audit engagements. He has extensive experience specializing in government audits and assisting clients in increasing the efficiency of their operations. Within CLA, Marty is one of the principals responsible for client relationships, work quality, and staff development. He serves on the public sector leadership team for the Southeastern region. He is also one of the firm experts in local government auditing. Marty brings innovative ideas coupled with practical experience to the firm's governmental clients so they can stay apprised of new accounting pronouncements, state laws, fiscal trends and best practices. His personal approach to client service includes frequent communication with his clients and a genuine concern for their best interests. They know that whatever the problem, Marty will be there to get them through.

Technical/Client Experience

During his career, Marty has provided audit and accounting services to:

Charlotte County*	City of Moore Haven
Collier County*	Town of Fort Myers Beach
Lee County*	City of Naples Airport Authority*
Manatee County*	Captiva Fire Control District
Sarasota County*	Englewood Water District
Desoto County	Estero Fire Rescue District
Glades County	Hillsborough County Aviation Authority
Hardee County	Iona McGregor Fire Protection and Rescue
City of Cape Coral*	Matlacha Pine/Island Fire Control District
City of Dunedin*	Sanibel Fire & Rescue District
City of Punta Gorda*	Southwest Florida Expressway Authority
City of Sanibel*	Upper Captiva Fire Control District
City of Bonita Springs	Many other Special Districts and Authorities
City of Everglades City	

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Education/Professional Involvement

- Bachelor of business administration with a degree in accounting, Stetson University
- Certified Public Accountant licensed by the State of Florida
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association (GFOA)
- Florida Government Finance Officers Association (FGFOA)



Martin Redovan, CPA (cont'd)

Continuing Professional Education

Marty attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Hours
Independence and Ethics 2017	12/15/2017	CliftonLarsonAllen LLP	2.0
Risk Management Update - October 2017	10/23/2017	CliftonLarsonAllen LLP	1.0
Assurance Update - October 2017	10/23/2017	CliftonLarsonAllen LLP	2.0
PSG Webcast Series #5: Local Government/GASB	10/4/2017	CliftonLarsonAllen LLP	2.0
A&A Update for GASB	8/29/2017	CliftonLarsonAllen LLP	2.0
Audit: Be in the Know	8/16/2017	CliftonLarsonAllen LLP	8.0
PSG Webcast Series #4: Data Analytics & Risk Assessment (Webcast)	8/9/2017	CliftonLarsonAllen LLP	2.0
August 2017 Assurance Update (Webcast)	8/7/2017	CliftonLarsonAllen LLP	2.0
FGFOA 2017 ANNUAL CONFERENCE	6/28/2017	FLORIDA GOVERNMENT FINANCE OFFICER'S ASSOCIATION - #0002329	16.0
Making Connections: The 2017 Regulated Industry Conference PSG breakout	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	8.0
Making Connections: The 2017 Regulated Industry Conference General Sessions	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	5.0
PSG Webcast Series #3: Nonprofit Account and Financial Reporting (Webcast)	6/7/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webcast Series #2: Single Audit (Webcast)	4/19/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
January 2017 Assurance Update (Webcast)	1/9/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
2016 Single Audit Update Rebroadcast (Fort Myers/Naples)	12/10/2016	CliftonLarsonAllen LLP (NASBA #108081)	6.0
Coaching the CLA Way (Webcast)	11/29/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Independence and Ethics Update 2016 (Webcast)	11/18/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Assurance Quarterly Update - 2016 Q4 (Webcast)	10/24/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Risk Management Update 2016 (Webcast)	10/24/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0



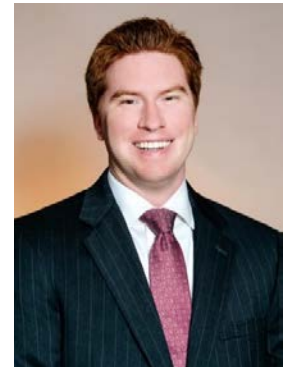
Program Name	Completion Date	Sponsor	Total Hours
Audit: Back to Basics (Fort Myers)	8/3/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.0
PSG - State & Local Government (Florida)	7/29/2016	CliftonLarsonAllen LLP (NASBA #108081)	7.0
Understanding the New Lease Standards (Webcast)	6/10/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Ethics and Professional Conduct for CPAs in Florida	6/4/2016	Becker Professional Education	4.0
PSG Webinar Series: Single Audit (Webcast)	6/1/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Risk Management and Ethics Update (Fort Myers)	5/25/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.0
PSG Virtual Conference	5/19/2016	CliftonLarsonAllen LLP (NASBA #108081)	4.0
CLA 2016 Annual Government Accounting and Audit Update (Fort Myers)	5/6/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.5



Christopher (Chris) Kessler, CPA

CliftonLarsonAllen LLP

Engagement Manger



Profile

Chris has over 10 years of experience with auditing and accounting services. He specializes in governmental auditing and accounting with an emphasis on state and local government agencies. Chris currently leads the State and Local Government industry practice for the firm's Carolina region out of the Columbia, South Carolina and Charlotte, North Carolina offices. **Chris has spent his entire career serving a number of complex governmental entities across the firm and will be joining CLA's Southwest Florida State and Local Government Services team on a permanent basis in the summer of 2018.**

Chris manages, plans, and performs audits and accounting services for various state and local government audit engagements typically requiring single audits to be performed in accordance with OMB UG. Chris has extensive experience with assisting governmental clients in obtaining and retaining the GFOA Certificate of Achievement for Excellence in Financial Reporting award and has provided risk assessment consulting services to governmental clients.

Due to his extensive experience, Chris is designated at CLA as a governmental auditing specialist. He is charged with understanding and applying the most recent GASB, Yellow Book, and other auditing standards, and is well known throughout the firm for his responsiveness, dedication to detail, and ability to communicate findings in an understandable manner.

Technical Experience

During his career, Chris has provided audit and accounting services for the following state and local government entities:

Lee County, Florida	State of Delaware
Lee County Port Authority	State of Vermont
Village of Estero, Florida	South Carolina Retirement System
Upper Captiva Fire Control District	North Carolina Office of the State Treasurer
Matlacha/Pine Island Fire Control District	South Carolina Public Employee Benefit Authority
Buncombe County, North Carolina	Charleston County School District
Montgomery County, Maryland	Anne Arundel County Board of Education
New Castle County, Delaware	Baltimore City Schools
City of Asheville, North Carolina	Washington Metropolitan Airport Authority
State of South Carolina	

Education/Professional Involvement

- Bachelor of science in accounting and finance from University of South Carolina, Columbia, South Carolina
- Certified Public Accountant
- American Institute of Certified Public Accountants

- Government Finance Officers Association
- South Carolina Government Finance Officers Association
- South Carolina Association of Certified Public Accountants

Speaking Engagements

- Chris is an active speaker on governmental accounting and auditing issues throughout the country. Chris frequently speaks at local GFOA and AGA conferences, as well as internally for CLA.



Christopher (Chris) Kessler, CPA (cont'd)

Continuing Professional Education

Chris attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Hours
Risk Management Update - October 2017	11/16/2017	CliftonLarsonAllen LLP	1.0
Assurance Update - October 2017	11/13/2017	CliftonLarsonAllen LLP	2.0
GOVERNMENTAL ACCOUNTING UPDATE/GASB UPDATE	10/26/2017	MISSISSIPPI OFFICE OF THE STATE AUDITOR	10.0
PSG Webcast Series #5: Local Government/GASB	10/4/2017	CliftonLarsonAllen LLP	2.0
PSG Webcast Series #4: Data Analytics & Risk Assessment (Webcast)	8/9/2017	CliftonLarsonAllen LLP	2.0
August 2017 Assurance Update (Webcast)	8/7/2017	CliftonLarsonAllen LLP	2.0
Ethics for Vermont CPAs	7/20/2017	Checkpoint Learning	4.0
Audit: Be in the Know	6/22/2017	CliftonLarsonAllen LLP	8.0
Making Connections: The 2017 Regulated Industry Conference PSG breakout	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	8.0
Making Connections: The 2017 Regulated Industry Conference General Sessions	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	6.0
Alternative Investments	5/31/2017	CliftonLarsonAllen LLP	1.0
CLA AGA – Dover Capital Chapter – Annual Professional Development Training	5/9/2017	CliftonLarsonAllen LLP (NASBA #108081)	3.0
May 2017 Assurance Update (Webcast)	5/8/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webcast Series #2: Single Audit (Webcast)	4/19/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webcast Series #1: FASB/GASB Update & Common Errors Found in 2nd Review (Webcast)	2/1/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
January 2017 Assurance Update (Webcast)	1/9/2017	CliftonLarsonAllen LLP (NASBA #108081)	1.5
PSG Webinar Series: Accounting Complexities Facing Local Government (Webcast)	10/12/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0



Program Name	Completion Date	Sponsor	Total Hours
A&A Update for Nonprofit Group	7/29/2016	CliftonLarsonAllen LLP (NASBA #108081)	6.5
AOA & DOA STATEWIDE FINANCIAL AND SINGLE AUDIT TRAINING	7/19/2016	STATE OF DELAWARE OFFICE OF AUDITOR OF ACCOUNTS – NASBA #122406	2.0
CLA Uniform Grant Guidance (Columbia, SC)	7/13/2016	CliftonLarsonAllen LLP (NASBA #108081)	13.5
GASB for Higher Ed Webinar Series #2 - GASB Technical Disclosure and Accounting Topics (Group Internet Based)	7/12/2016	CliftonLarsonAllen LLP (NASBA #108081)	1.0
GASB for Higher Ed Webinar Series #1 - Overview of Financial Statement Differences (Group Internet Based)	6/28/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webinar Series: Single Audit (Group Internet Based)	6/1/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Virtual Conference (Group Internet Based)	5/19/2016	CliftonLarsonAllen LLP (NASBA #108081)	4.0
Ethics for South Carolina CPAs	1/26/2016	PASS Online	2.0
WEBCAST FOR AUDITORS OF BROKER-DEALERS	1/11/2016	PCAOB - NASBA #108003	2.0
Assurance Quarterly Update - 2016 Q1 (Group Internet Based)	1/11/2016	CliftonLarsonAllen LLP (NASBA #108081)	1.5



Sue Pagan, CPA
CliftonLarsonAllen LLP
Engagement Director



Profile

Sue is an audit engagement director with CliftonLarsonAllen. She has more than 21 years of experience serving Florida government clients. During this time, she has served 6 Florida counties, 12 cities, 3 school districts, and several special districts. Sue is a member of AICPA and FICPA. Sue is a licensed CPA in the State of Florida.

Technical/Client Experience

Sue has over 20 years of experience in public accounting servicing local governments, many of which require federal and/or state single audits. During her career, she has provided audit and accounting services to:

- | | |
|--|--|
| City of Cape Coral * | Juvenile Welfare Board |
| City of Clearwater * | Pasco County * |
| City of Largo * | Pinellas County (Including Constitutionals)* |
| City of Madeira Beach * | Pinellas County Construction Licensing Board |
| City of New Port Richey * | Pinellas County School District * |
| City of Pinellas Park * | Pinellas County Planning Council |
| City of Safety Harbor * | Pinellas Suncoast Transit Authority (PSTA)* |
| City of Saint Petersburg * | Sarasota County* |
| City of Tarpon Springs * | Sarasota County School District * |
| Clearwater Downtown Development Board | TB Advanced Manufacturing Skills Initiative |
| Collier County (Including Constitutionals)* | Tampa Bay Area Regional Transportation Authority |
| Hernando County (Including Constitutionals)* | Tampa Bay Estuary Program |
| Hillsborough County School District * | Tampa Bay Regional Planning Council |
| Hillsborough Area Regional Transit Authority* (HART) | Virgin Islands Water and Power Authority |

**Receives the GFOA Certificate of Achievement for Excellence in Financial Reporting.*

Education/Professional Involvement

- Bachelor of Science in Accounting from University of South Florida
- Certified Public Accountant in the State of Florida since 5/7/1993
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)



Sue Pagan, CPA (cont'd)

Continuing Professional Education

Sue attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Hours
PSG Webcast Series #6	12/6/2017	CliftonLarsonAllen LLP	2.0
Independence and Ethics 2017	11/17/2017	CliftonLarsonAllen LLP	2.0
Assurance Update - October 2017	10/23/2017	CliftonLarsonAllen LLP	2.0
Risk Management Update - October 2017	10/23/2017	CliftonLarsonAllen LLP	1.0
PSG Webcast Series #5: Local Government/GASB	10/4/2017	CliftonLarsonAllen LLP	2.0
Accountants' Responsibilities Regarding Fraud, Part 1	9/27/2017	Becker Professional Education	2.0
A&A Update for GASB	8/29/2017	CliftonLarsonAllen LLP	2.0
Audit: Be in the Know	8/16/2017	CliftonLarsonAllen LLP	7.0
PSG Webcast Series #4: Data Analytics & Risk Assessment (Webcast)	8/9/2017	CliftonLarsonAllen LLP	1.5
August 2017 Assurance Update (Webcast)	8/7/2017	CliftonLarsonAllen LLP	2.0
The Millennial Generation	7/5/2017	Becker Professional Education	1.5
Single Audit: Best Practices to Avoid Common Audit Problems and Pitfalls	7/4/2017	Becker Professional Education	4.0
Yellow Book and Single Audit Deficiencies	7/1/2017	Checkpoint Learning	5.0
Single Audit Module 3: Compliance Requirements	7/1/2017	CliftonLarsonAllen LLP	1.0
Single Audit Module 2: Major Program Determination	7/1/2017	CliftonLarsonAllen LLP	1.0
Single Audit Module 4: Internal Control and Compliance	7/1/2017	CliftonLarsonAllen LLP	1.0
GASB 70, Nonexchange Financial Guarantees	7/1/2017	Checkpoint Learning	1.0
Single Audit Module 1: Overview and Background	7/1/2017	CliftonLarsonAllen LLP	1.0
Yellow Book Financial Audits and Attest Engagements	6/30/2017	Becker Professional Education	3.0
Personal and Professional Ethics for Florida CPAs	6/29/2017	Checkpoint Learning	4.0
CLA 2017 Florida Government Training	5/18/2017	CliftonLarsonAllen LLP	6.0



Program Name	Completion Date	Sponsor	Total Hours
Academy (Fort Myers)		(NASBA #108081)	
May 2017 Assurance Update (Webcast)	5/8/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webcast Series #2: Single Audit (Webcast)	4/19/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
CLA Risks of Occupational Fraud Roundtable (Tampa)	9/16/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Audit: Back to Basics (Fort Myers)	8/3/2016	CliftonLarsonAllen LLP (NASBA #108081)	7.5
FGFOA 2016 ANNUAL CONFERENCE	6/14/2016	FGFOA - ID #0002329	16.0
OMB Single Audit Guidance	6/11/2016	Checkpoint Learning	1.0
GASB Concepts Statement 6	6/11/2016	Checkpoint Learning	1.0
AICPA Guidance for Pension Audits	6/11/2016	Checkpoint Learning	1.0
Risk Management in the Public Sector	6/10/2016	Becker Professional Education	2.5
PSG Webinar Series: Single Audit (Webcast)	6/1/2016	CliftonLarsonAllen LLP (NASBA #108081)	1.5
PSG Virtual Conference	5/19/2016	CliftonLarsonAllen LLP (NASBA #108081)	4.0
CLA 2016 Annual Government Accounting and Audit Update (Tampa)	5/5/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.5
GULFCOAST CHAPTER, CHAPTER LUNCHEON	4/14/2016	FLORIDA GOVERNMENT FINANCE OFFICERS ASSOCIATION-GULF COAST CHAPTER - #0002329	1.0
GASB Update 2016	2/3/2016	Becker Professional Education	1.0



Kimberly Poblete

CliftonLarsonAllen LLP

Senior

Profile

Kimberly is an audit senior with CliftonLarsonAllen. She has more than ten years of public auditing experience with governmental entities and nonprofit organizations, which includes federal and state single audit experience.

Technical/Client Experience

Kim's experience is very heavily concentrated on providing service to governmental entities, including municipalities, counties, and component units. Kim has client experience using the following accounting software products: Oracle, SunGard Public Sector (NaviLine), Great Plains, PeopleSoft, Integrated Financial Accounting System (iFAS), and others. She has served on the audit engagements listed below:

City of Clearwater*	University of Guam
Clearwater Downtown Development Board	Diocese of Southwest Florida
City of New Port Richey	Ruth Eckerd Hall
City of Safety Harbor*	St. Pete Free Clinic
Guam Power Authority	The Salvation Army of Guam
Guam Waterworks Authority	Pinellas Suncoast Transit Authority* (PSTA)
Guam Visitors Bureau	CareerSource Pinellas
Sarasota County*	TB Advanced Manufacturing Skills Initiative
Guam Community College	Tampa Bay Regional Transportation Authority
Hillsborough Area Regional Transit Authority* (HART)	

**Receives the GFOA Certificate of Achievement for Excellence in Financial Reporting*

Education/Professional Involvement

- Bachelor of Business Administration in accounting from University of Guam
- Florida Government Finance Officers Association (FGFOA)



Kimberly Poblete (cont'd)

Continuing Professional Education

Beginning with her employment at CLA in 2015, Kim is attending a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Hours
Assurance Quarterly Update - January 2018	1/31/2018	CliftonLarsonAllen LLP	2.0
Independence and Ethics 2017	11/17/2017	CliftonLarsonAllen LLP	1.0
Assurance Update - October 2017	10/23/2017	CliftonLarsonAllen LLP	2.0
Audit: Be in the Know	8/16/2017	CliftonLarsonAllen LLP	6.5
Yellow Book and Single Audit Deficiencies	6/28/2017	Checkpoint Learning	5.0
CLA 2017 Florida Government Training Academy (Fort Myers)	5/18/2017	CliftonLarsonAllen LLP (NASBA #108081)	6.0
May 2017 Assurance Update (Webcast)	5/8/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
PSG Webcast Series #2: Single Audit (Webcast)	4/19/2017	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Independence and Ethics Update 2016 Rebroadcast (Tampa)	12/2/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Audit: Back to Basics (Orlando)	8/2/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.0
PSG - State & Local Government (Florida)	7/29/2016	CliftonLarsonAllen LLP (NASBA #108081)	7.0
Single Audits of Governmental Entities	6/11/2016	Checkpoint Learning	7.0
PSG Virtual Conference	5/19/2016	CliftonLarsonAllen LLP (NASBA #108081)	4.0
CLA 2016 Annual Government Accounting and Audit Update (Tampa)	5/5/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.5



Dani Springfels, CPA, CFE

CliftonLarsonAllen LLP

Senior

Profile

Dani Springfels is a senior auditor with the CliftonLarsonAllen State and Local Government and Higher Education groups. Dani specializes in compliance audits for organizations requiring a single audit.

Dani has over 4 years of experience serving governmental clients. During this time she has served Florida counties, cities, and special districts.



Technical Experience

During her career, she has provided audit and accounting services to:

Collier County*	City of Winter Haven*
Highlands County*	Pinellas County Licensing Board
Sarasota County*	Clearwater Downtown Development Board
City of Brooksville *	Hillsborough Area Regional Transit
Pinellas Suntrust Transit Authority	A.H. of Monroe County (AIDS Help)
Wesley House Family Services	

**Receives the GFOA Certificate of Achievement for Excellence in Financial Reporting.*

Education/Professional Involvement

- Bachelor of Business Administration (B.A.A) in Accounting from Washington State University-Tri-Cities, Richland, WA
- Bachelor of Science (B.S) in Animal Science from the University of Minnesota-Twin-Cities, Minneapolis, MN
- Washington State Society of CPAs
- American Institute of Certified Public Accountants
- Association of Certified Fraud Examiners, Certified Fraud Examiner (750175)
- Member of Association of Certified Fraud Examiners-Tampa Bay Chapter #31

Dani Springfels (cont'd)

Continuing Professional Education

Dani attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Applied to Period
ADVANCED TOPICS IN A SINGLE AUDIT	7/3/2017	AICPA - NASBA #112891; QAS #013	6.5
Single Audit Module 4: Internal Control and Compliance	7/4/2017	CliftonLarsonAllen LLP	1.0
Audit: Be in the Know	8/15/2017	CliftonLarsonAllen LLP	7.0
A&A Update for GASB	8/29/2017	CliftonLarsonAllen LLP	2.0
Assurance Update - October 2017	10/23/2017	CliftonLarsonAllen LLP	2.0
Advanced Forensic Accounting	10/27/2017	Checkpoint Learning	8.0
Asset Misappropriation Schemes	10/27/2017	Becker Professional Education	1.5
PSG Webcast Series #6	12/6/2017	CliftonLarsonAllen LLP	2.0
Tax Reform Update #4 - Individual Impacts	12/27/2017	CliftonLarsonAllen LLP	1.0
Independence and Ethics Update 2016 Rebroadcast (Tampa)	12/2/2016	CliftonLarsonAllen LLP (NASBA #108081)	2.0
Audit: Back to Basics (Orlando)	8/2/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.0
PSG - State & Local Government (Florida)	7/29/2016	CliftonLarsonAllen LLP (NASBA #108081)	7.0
Single Audits of Governmental Entities	6/11/2016	Checkpoint Learning	7.0
PSG Virtual Conference	5/19/2016	CliftonLarsonAllen LLP (NASBA #108081)	4.0
CLA 2016 Annual Government Accounting and Audit Update (Tampa)	5/5/2016	CliftonLarsonAllen LLP (NASBA #108081)	8.5



James W. Barton, III, CISA, PCI-QSA
CliftonLarsonAllen LLP



Information Technology Manager

Profile

Jim is a member of the information security services group (ISSG) at CLA which provides security-focused consulting services. He has been with CLA for 7 years and has more than 15 years of professional auditing experience in the public sector providing consulting services in network management and end-user support with experience covering project management, business management, and service delivery. Jim served as an IT Director for a regional CPA firm before joining CLA.



Technical/Client Experience

Jim has overseen projects ranging from system selection to the design and installation of local and wide area networks. He has client experience using the following accounting software products: Oracle, SunGard Public Sector (NaviLine), Great Plains, PeopleSoft, Integrated Financial Accounting System (iFAS), and others. Jim has tested the performance of IT general controls, SSAE16 IT testing, external penetration testing, and internal vulnerability assessments. He has served on the following engagements:

- | | |
|----------------------|--|
| City of Cape Coral | Hillsborough Area Regional Transit Authority |
| City of Dunedin | Hillsborough County Aviation Authority |
| City of Winter Haven | Okeechobee County |
| Collier County | Pinellas Suncoast Transit Authority* (PSTA) |
| Federal Government | Polk County Board of County Commissioners |
| Hardee County | Union County, NC |
| Highlands County | US Department of Veterans Affairs |

Education/Professional Involvement

- Certified Information Systems Auditor (CISA) since 2/2013
- Degree in Computer Electronics and Networking Technology from the Florida Career Institute
- West Florida Chapter of ISACA, a worldwide association of information security professionals
- Certified Payment Card Industry
- Qualified Security Assessor (PCI-QSA)



James W. Barton, III, CISA, PCI-QSA (cont'd)

Continuing Professional Education

Jim attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Yellow Book requirements is completed. See details below:

Program Name	Completion Date	Sponsor	Total Hours
Information Technology Auditing	7/19/2017	Checkpoint Learning	11.0
Making Connections: The 2017 Regulated Industry Conference General Sessions	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	6.0
Making Connections: The 2017 Regulated Industry Conference Financial Institutions breakout	6/16/2017	CliftonLarsonAllen LLP (NASBA #108081)	8.0
CLA 2017 Florida Government Training Academy (Fort Myers)	5/19/2017	CliftonLarsonAllen LLP (NASBA #108081)	3.0
CLA 2017 Florida Government Training Academy (Fort Myers)	5/18/2017	CliftonLarsonAllen LLP (NASBA #108081)	3.5
Cyber Risk and the Internal Auditor	5/11/2017	Checkpoint Learning	2.0
2017 ISSG/BRS Update	1/26/2017	CliftonLarsonAllen LLP (NASBA #108081)	19.0
CLA 2016 Annual Government Accounting and Audit Update (Tampa)	5/5/2016	CliftonLarsonAllen LLP (NASBA #108081)	3.0
Specialized Advisory Services Learning - ISSG/BRS (Invitation Only)	1/6/2016	CliftonLarsonAllen LLP (NASBA #108081)	4.5
Participant Credit for Instructors: Specialized Advisory Services Learning - ISSG/BRS (Invitation Only)	1/6/2016	CliftonLarsonAllen LLP (NASBA #108081)	17.5





CITY OF GAINESVILLE, FLORIDA

CONSULTANTS/FIRMS CERTIFICATION

RFP # CAUD-190002-DH for Professional Auditing Services

The City of Gainesville requires, as a matter of policy, that any Consultant or firm receiving a contract or award resulting from the Request for Proposals issued by the City of Gainesville, Florida, shall make certification as below. Receipt of such certification, under oath, shall be a prerequisite to the award of contract and payment thereof.

I (we) hereby certify that if the contract is awarded to me, our firm, partnership, or corporation, that no members of the elected governing body of City of Gainesville, nor any professional management, administrative official or employee of the City, nor members of his or her immediate family, including spouse, parents, or children, nor any person representing or purporting to represent any member or members of the elected governing body or other official, has solicited, has received or has been promised, directly or indirectly, any financial benefit, including but not limited to a fee, commission, finder's fee, political contribution, goods or services in return for favorable review of any Proposal submitted in response to the Request for Proposals or in return for execution of a contract for performance or provision of services for which Proposals are herein sought.

Cl. From Larson Allen LLP
NAME OF BUSINESS

Sworn to and subscribed before me

BY: [Signature]
SIGNATURE

this 27 day of June, 2008

ANDREW LAFLIN PRINCIPAL
NAME & TITLE, TYPED OR PRINTED

Bridget Leon
Signature of Notary
Notary Public, State of Florida

201 N Franklin St Suite 2500
MAILING ADDRESS

Personally Known
OR
Produced Identification _____

Tampa, FL 33602
CITY, STATE, ZIP CODE

Type: _____

(813) 384-2711
TELEPHONE NUMBER

DUNS Number: 07-763-3311

(813) 384-2750
FAX NUMBER

Company Tax ID # 41-0746749

andrew.laflin@clconnect.com
EMAIL ADDRESS



Specific Audit Approach

CLA is one of a few firms that have developed its own proprietary audit program. Many firms use canned, off-the-shelf audit programs, which limits their flexibility in determining what procedures they can and cannot perform because they must follow the audit methodology they have purchased. Our audit teams are able to customize our audit programs to address the specific risks and unique characteristics of your operation. We do not perform the exact same procedures for every client. In addition, our audit programs are interactive, providing guidance to the staff while they are performing the audit procedures.

Our audit approach for year one and subsequent years will have certain consistent elements. However, we expect that the subsequent years will result in fewer audit hours based on the efficiencies gained as we become more familiar with your operations. Our audit objective extends beyond the issuing of an opinion on financial statements. We believe that a good audit yields substantial information for management, and is a valuable tool in recognizing opportunities and identifying areas that can be strengthened. An effective audit performed by our team will also provide:

- An objective look at your policies and procedures
- Valuable suggestions for improvements in your financial operations and other areas
- An analysis of trends and unusual variations from year-to-year
- Protection for current and future resources through improved internal controls
- A deterrent to embezzlement and other fraudulent activities

Benefits of CLA's Risk-Based Approach

Our audit services are designed to protect the interests of the members, governance, and management by concentrating on high-risk areas. Risk identification is the first step of the audit process, providing the basis upon which the overall plan is developed. Our risk assessment process involves consideration of the following types of risk:

- Inherent risk - that an error in the accounting and reporting process may occur
- Control risk - that internal control systems designed to prevent/detect errors may fail
- Audit detection risk - the risk that audit procedures may fail to detect errors

Commitment to Communication with Management

As you will see, we are committed to ongoing communication throughout the engagement. Continual communication starts when an engagement letter is issued, continues until the completion or closeout of an engagement and throughout the remainder of the year. We believe effective communication is critical to a successful engagement. This communication includes the exchange of ideas and advice as changes are considered or implemented by the entity or the accounting profession.

During the engagement we will hold regular status meetings with the Clerk's Finance, management of the Board of County Commissioners and management of each Constitutional Officer to enhance day-to-day operations, results, and any issues are commonly understood and addressed. The objectives of tracking and formally reporting the engagement status are to:

- Provide a consistent technique for monitoring progress against plan
- Identify any issues quickly to allow for timely corrective action
- Provide an objective rather than subjective evaluation of status
- Provide timely information on a regular basis
- Assist with obtaining buy-in of any audit recommendations on a timely basis



Our proactive measures foster communications, both written and oral, which are ongoing, relevant and routine to our engagements. Our commitment to this practice encourages open lines of communication and often prevents and/or mitigates service delivery issues. Our professionals are trained in documenting observations, recommendations, business issues, and new developments as part of their daily routine.

We will conduct our financial statement audit in four primary phases, as shown in **Figure 2** below:

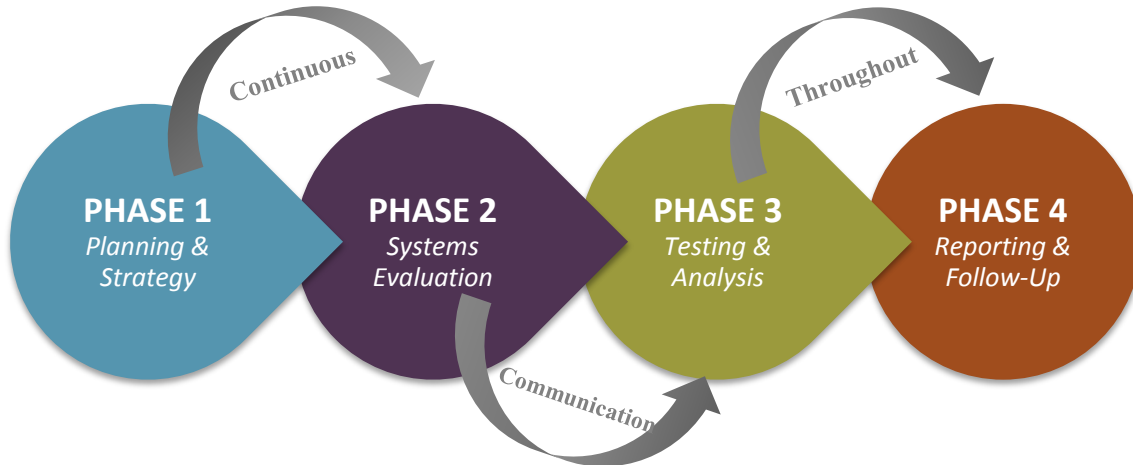


Figure 2. Proven Methodology. Our audit is performed based on a risk-based approach. We conduct our audits under the concept of “understanding the entity.” This concept is based fundamentally on the fact that the City is unique. By understanding the City, we gain the necessary perspective for performing an effective audit. Our audit approach places particular emphasis on the planning phase to determine maximum efficiency and effectiveness.

1

Planning & Strategy

The main objective of the planning phase is to identify significant areas and design efficient audit procedures. We will accomplish our planning by following the methodology below:

- Conduct an entrance meeting with the City – Andrew Laflin, Chris Kessler, and staff will meet with the City personnel to mutually agree on an outline of responsibilities and timeframes. The agenda will include but not be limited to the following:
 - Establish audit approach and timing schedule
 - Assistance to be provided by the City personnel
 - Application of generally accepted accounting principles
 - Initial audit concerns
 - Concerns of the City’s management
 - Establishment of report parameters and timetables
 - Progress reporting process
 - Establish principal contacts
- Gain an understanding of the operations of the City, including any changes in its organization, management style, and internal and external factors influencing the operating environment. We will utilize reference materials such as the budget and related materials, organizational charts, manuals and programs, financial, and other management information systems
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment

- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using Interactive Data Extraction and Analysis (IDEA), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the City, and establish mutually agreed upon deadlines

We will document our planning through preparation of the following:

- **Entity Profile.** This profile will help us gain an understanding of the City activities, organizational structure, services, management, key employees and regulatory requirements.
- **Preliminary Analytical Procedures.** These procedures will assist in planning the nature, timing and extent of auditing procedures that will be used to obtain evidential matter. They will focus on enhancing our understanding of the financial results, and will be used to identify any significant transactions and events that have occurred since the last audit date, as well as to identify any areas that may represent specific risks relevant to the audit.
- **General Risk Analysis.** This will contain our overall audit plan, including materiality calculations, fraud risk assessments, overall audit risk assessments, effects of our IS assessment, timing, staffing, client assistance, a listing of significant provisions of laws and regulations and other key planning considerations.
- **Account Risk Analysis.** This document will contain the audit plan for the financial statements, including risk assessment and the extent and nature of testing by assertion.
- **Prepared by Client Listing.** This document will contain a listing of schedules and reports to be prepared by the City personnel with due dates for each item.

One of the key elements in the planning of this audit engagement will be the heavy involvement of principals and managers. We will clearly communicate any issues in a timely manner, and will be in constant contact with the City as to what we are finding and where we expect it will lead.

We will develop our audit programs during this phase. Utilizing the information we have gathered and the risks identified we will produce an audit program specifically tailored to the City. This program will detail by major section the nature and types of tests to be performed. We view our programs as living documents, subject to change as conditions warrant.

Phase
2

Systems Evaluation

During the systems evaluation phase, we will gain an understanding of the internal control structure of the City for financial accounting and relevant operations. Next, we will identify control objectives for each type of control that is material to the financial statements, and then identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. Finally, we will determine the nature, timing, and extent of our control testing and perform tests of controls. This phase of the audit will include testing of certain key internal controls:

- Electronic data, including general and application controls reviews and various user controls
- Financial reporting and compliance with laws and regulations

We will test controls over certain key cycles. One audit efficiency initiative is to rely heavily on internal controls when appropriate, and to creatively look at internal control testing to make it as efficient as possible. This means



not routinely performing detailed tests of transactions using large samples. We first seek to identify key controls, and then identify possible testing through alternative methods, such as observation, interviews, and re-performance. These tests serve not only to gather evidence about the existence and effectiveness of internal control for purposes of assessing control risk, but also to gather evidence about the reasonableness of an account balance.

We will also develop our internal control tests to assess the compliance with certain provisions of laws, regulations, contracts, and grants for which noncompliance could have a direct and material effect on the determination of financial statement amounts. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality.

Our assessment of internal controls will determine whether the City has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

- Transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements and to maintain accountability over assets
- Assets are safeguarded against loss from unauthorized acquisition, use, or disposition
- Transactions are executed in accordance with laws and regulations that could have a direct and material effect on the financial statements

We will finalize our audit programs during this phase. We will also provide an updated Prepared by Client Listing based on our test results and our anticipated substantive testing.

During the internal control phase, we will also perform a review of general and application Information Systems (IS) controls for the applications that are significant to financial statements to conclude whether IS general controls are properly designed and operating effectively, and consider application controls as part of the internal control assessment in the financial statement audit. Our strategy for the IS review of the applications will involve reviewing all of the general control activities, including the computerized and manual processes. We will determine the scope of work by applying the concepts of materiality and risk assessment to effectively reduce examination inefficiencies. When planning this examination, we will gain an understanding of the City's operations by reviewing its current controls and control objectives as documented, and will also review prior years' audit work and the status of corrective actions.

Based on our preliminary review, we will perform an initial risk assessment of each critical element in each general control category, as well as an overall assessment of each control category. We will then proceed to assess the significant computer-related controls.

For IS-related controls that we deem to be ineffectively designed or not operating as intended, we will gather sufficient evidence to support appropriate findings and will provide recommendations to improve internal controls. For those IS controls that we deem to be effectively designed, we will perform testing to determine if they are operating as intended through a combination of procedures, including observation, inquiry, inspection, and re-performance.

Phase
3

Testing & Analysis

The extent of our substantive testing will be based on results of our internal control tests. It has been our experience that governmental entities, like the City, often have a system of internal controls that, with appropriately designed tests and correlation to account balances, can be used to limit the extent of account balance substantiation testing.



Audit sampling will be used only in those situations where it is the most effective method of testing. Before deciding to sample, we will consider all possible approaches and audit techniques. Items where, in our judgment, acceptance of some sampling risk is not justified will be examined 100 percent. These may include unusual items or items for which potential misstatements could individually equal or exceed tolerable error.

After identifying individually significant or unusual items, we will decide on the audit approach for the remaining balance of items by considering tolerable error and audit risk. This may include (1) testing a sample of the remaining balance; (2) lowering the previously determined threshold for individually significant items to increase the percent of coverage of the account balance; or (3) applying analytical procedures to the remaining balance. When we elect to sample balances, we will use IDEA to efficiently control and select our samples.

Our workpapers during this phase will clearly document our work as outlined in our audit programs. We will also provide the City with status reports during the course of the audit fieldwork. As in all phases of the audit, we will be in communication with the City to determine that all identified issues are resolved in a timely manner. We will also hold a final exit conference with the City to summarize the results of our fieldwork and review significant findings.

Phase
4

Reporting & Follow-Up

Reports to management will include oral and/or written reports regarding:

- Independent Auditors' Report
- Independent Auditors' Report on Internal Control over financial reporting and on compliance and other matters based on an audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Independent Auditor's Report on Compliance for Each Major Federal Program and State Project, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Chapter 10.550 Rules of the Auditor General of the State of Florida
- Management Letter
- Our review of the City's Annual Financial Report to the Department of Financial Services, in accordance with Section 218.32.
- Independent Accountants' Report regarding the City's compliance with certain Florida specified requirements
- Written Communication to Those Charged with Governance, which includes the following areas:
 - ✓ Our responsibility under auditing standards generally accepted in the United States of America
 - ✓ Changes in significant accounting policies or their application
 - ✓ Unusual transactions
 - ✓ Management judgments and accounting estimates
 - ✓ Significant audit adjustments
 - ✓ Other information in documents containing the audited financial statements
 - ✓ Disagreements with the City
 - ✓ The City's consultations with other accountants
 - ✓ Major issues discussed with management prior to retention
 - ✓ Difficulties encountered in performing the audit
 - ✓ Fraud or illegal acts

Once the final reviews of working papers and financial statements are completed, which is a process that actually starts while the fieldwork is in process, our opinion, the financial statements and management letter will be issued.



The City will be provided a draft of any comments that we propose to include in the management letter, enabling you to review the comments for accuracy prior to final release. Any items that come to our attention that are not what we consider major items may be discussed verbally with management and not included in the management letter. Our management letter will include items noted during our analysis of your operations. We will also make a formal presentation of the results of the audit to those charged with governance of the City, if requested.

Single Audit Approach

In the current environment of increased oversight, it is more important than ever to find qualified auditors who have significant experience with federal grants specific to the City and can enhance the quality of the City's single audit. Therefore, the Single Audit will be performed by a team of individuals who are managed by personnel who specialize in Single Audits in accordance with the Uniform Guidance (2 CFR Part 200, Subpart F) and the Florida Single Audit Act (Section 215.97, Florida Statutes) and who will offer both knowledge and quality for the City. As part of our quality control process, the single audit will be reviewed by a firm Designated Single Audit Reviewer (DSAR).

The OMB's Uniform Guidance (2 CFR Part 200) is effective for federal grants made on or after December 26, 2014. This affects how federal grants are managed and audited and impacts every organization that receives federal assistance. Grant compliance can be a confusing topic and many of our clients rely on their federal funding as a major revenue source, so it is important that they understand what these changes mean to their organization. As a leader in the industry, CLA was out in front of these changes and informed our clients of how to be proactive about these changes could impact their entity. CLA professionals are available to provide guidance and tools tailored to the City's needs, and to assist in compliance with the new rules.

The AICPA clarified auditing standard, AU-C 801 "Compliance Audits" requires risk-based concepts to be used in all compliance audits including those performed in accordance with 2 CFR Part 200. Our risk-based approach incorporates this guidance.

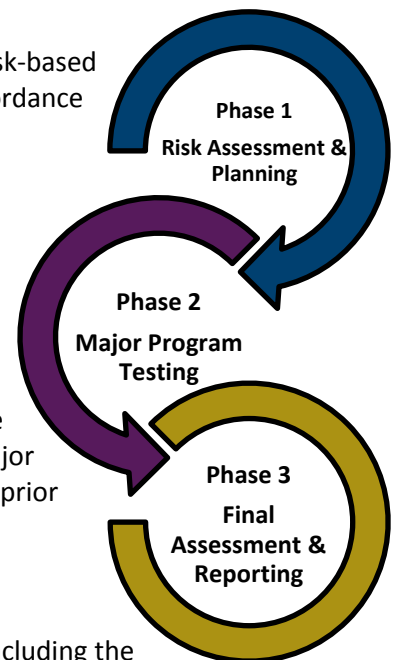
We will conduct our single audit in three primary phases, as shown below:

Phase 1
Risk Assessment & Planning

The risk assessment and planning phase will encompass the overall planning stage of the single audit engagement. During this phase, we will work closely with the City's management to determine that programs and all clusters of programs are properly identified and risk-rated for determination of the major programs for testing. We will also review the forms and programs utilized in the prior year to determine the extent of any changes which are required.

We will accomplish this by following the methodology below:

- Determine the threshold to distinguish between Type A and B programs, including the effect of any loans and loan programs.
- Utilizing the preliminary Schedule of Expenditure of Federal Awards and State Financial Assistance, we will identify the Type A and Type B programs in accordance with the Uniform Guidance and Florida Single Audit requirements.
- Identifying the programs tested and the findings reported for the past two fiscal years. Determine and document the program risk based on the past two Single Audits.
- Distribute Type B program questionnaires to determine risk associated with Type B programs.



- Determine major programs to be tested for the current fiscal year based on the previous steps.
- Assess compliance and internal controls over compliance for each major program identified against the proper regulations (Circulars vs. Uniform Guidance and State Compliance Supplement).
- Prepare and distribute templates to the City’s management to obtain an update on the status of prior year findings.

Phase
2

Major Program Testing

We will determine the programs to be audited based on the risk assessment performed in the planning phase. We will perform the audit of the programs in accordance with the proper regulations (Circulars vs. Uniform Guidance) and the Rules of the Auditor General. To accomplish this, we will perform the following:

- Schedule an introductory meeting and notify the City’s management of the major programs.
- Plan and execute the testing of the expenditures reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance.
- Perform tests of compliance and internal controls over compliance for each major program.
- Conduct entrance and exit conference meetings with each grant manager.

Phase
3

Final Assessment & Reporting

We will re-perform the steps noted in the preliminary assessment and planning stage once the final Schedule of Expenditures of Federal Awards and State Financial Assistance is received to determine if additional major programs were identified. Based on the final determination of the programs we will perform the following:

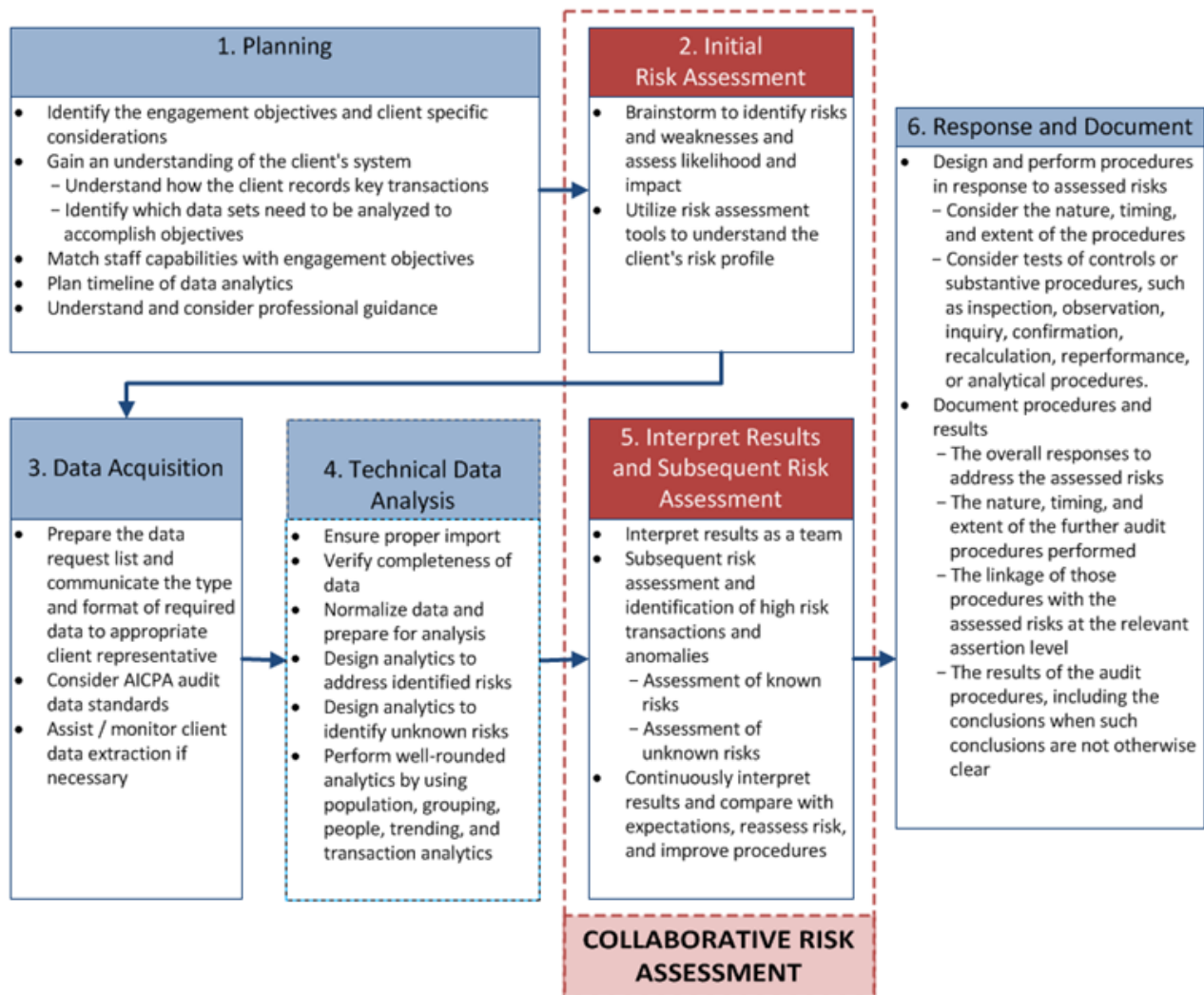
- Identify Type A and Type B programs which were not previously identified.
- Re-assess the risk and determine if we are required to audit additional programs.
- Perform compliance testing at the entity wide level related to procurement and cash management requirements.
- Perform testing to validate the status of prior year findings for programs not selected for audit.
- Prepare the Schedule of Findings and Questioned Costs.
- Conduct exit conference with the City’s management to review drafts of required reports.
- Submit Data Collection Form to the Federal Clearinghouse.

Throughout the single audit, we will maintain communication through periodic progress meetings with those designated by the City’s. These meetings will be on a set schedule, but as frequently as the City determines. During these meetings, we will discuss progress impediments and findings as they arise.



Data Analytics

In addition to standard auditing methodology, a distinguishing aspect of CLA's audit services incorporates the power of data analytics to multiply the value of the analyses and the results we produce for clients. CLA's data methodology is a six-phase, systematic approach to examining an organization's known risks and identifying unknown risks. Successful data analysis is a dynamic process that continuously evolves throughout the duration of an engagement and requires collaboration of the engagement team. Our data methodology is depicted below:



Data analytics are utilized throughout our audit process, our *Risk Assessment, Data Analytics and Review* ("RADAR"), a specific application of general ledger data analytics that has been implemented on all audit engagements. RADAR is an innovative approach created and **used only by CLA** that aims to improve and replace traditional preliminary analytics that were being performed.



The phases in our data analytics process are as follows:

1. Planning

In the planning stage of the engagement, the use of data analysis is considered and discussed to ensure that analytics are directed and focused on accomplishing objectives within the risk assessment. Areas of focus, such as journal entries, cash disbursements, inventory, and accounts receivable are common.

2. Initial Risk Assessment

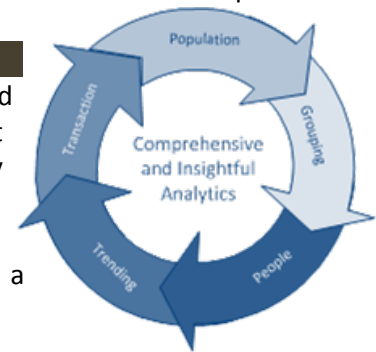
We consider the risks facing our client and design analytics to address these risks. Through preliminary discussions with management and governance, we develop and document expectations of financial transactions and results for the year. These expectations will assist in identifying anomalies and significant audit areas in order to appropriately assess risk.

3. Data Acquisition

Sufficient planning, a strong initial risk assessment, and an adequate understanding of your systems will serve as the foundation necessary to prepare our draft data request list. We will initially request information in written format and conduct follow-up conversations ensuring CLA practitioners our staff share a mutual understanding of the type of data requested and the format required. If there are going to be any challenges/obstacles related to obtaining data, or obtaining data in the preferred format, they will generally be discovered at this point.

4. Technical Data Analysis

Technical analysis of the data *requires* the skillful blend of knowledge and technical capability. Meaningful technical analysis provides the engagement team with a better understanding of the organization. The additional clarity assists the engagement team to better assess what is “normal” and, in turn, be better suited to spot anomalies, red-flags and other indications of risk. Analytics generally fall into five categories, each looking into the data set in a different way and deployed with a different purpose.



5. Interpret Results and Subsequent Risk Assessment

Trends and anomalies will be identified through the performance of the above referenced analytics. Comments regarding the interpretation of those trends and anomalies will be captured. When trends are identified they are reconciled against expectations. For anomalies identified, the approach to further audit procedures will be considered

6. Response and Document

The last process is to capture responses and ensure our procedures are properly documented. Abstracts, charts or summaries of both trends and anomalies are retained in the audit documentation to support our identification of risks .Our analysis can be tailored and customized to help analyze an array of information, including client specific and proprietary data. Key benefits of data analytics include:

- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100 percent data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unparalleled data access allows us to access and analyze data from virtually any computing environment
- Eliminates the need to extrapolate information from errors (a common effort when manually auditing data) and allows for more precise conclusions



Figure 4 illustrates typical data analytics scenarios.

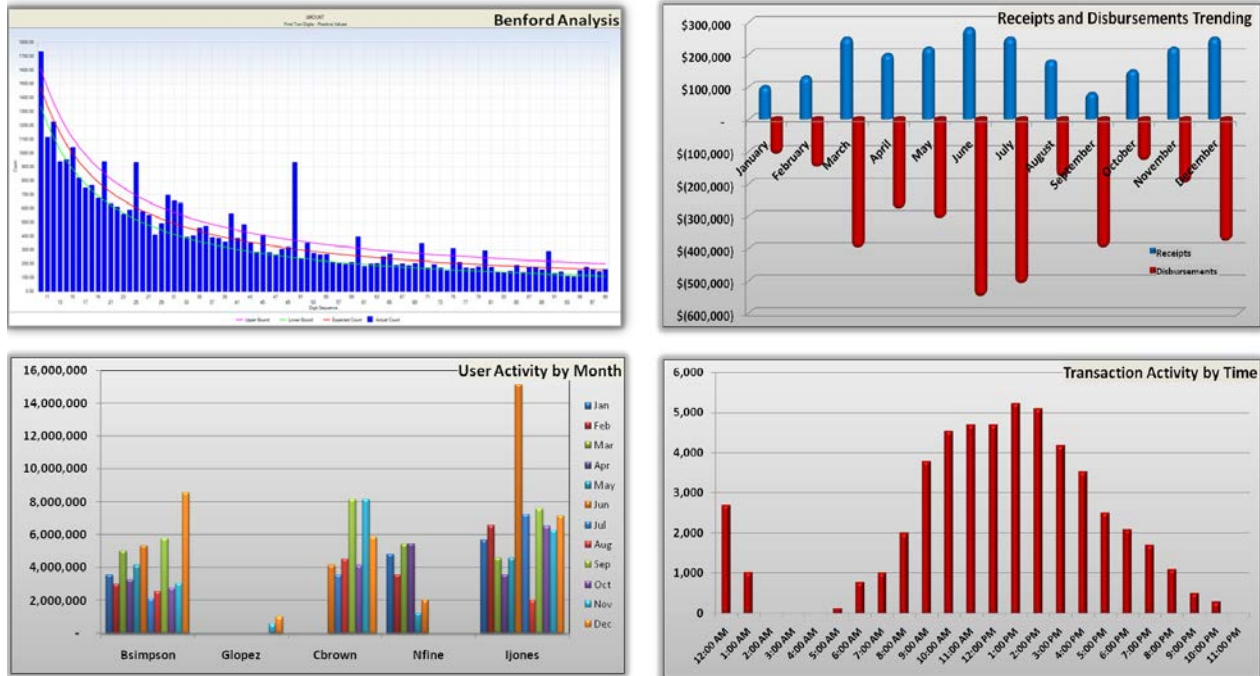


Figure 4. Data Analytics. At the end of a series of pre-determined analytics (often retrieved from multiple proprietary accounting systems) that are customized to the project at hand, we identify anomalies and potential errors in transactions. In every case, we review what appears to be inappropriate activity, including supporting documentation evidencing the transactions.



Staffing Assignments and Levels to be Designated to Each Proposed Segment of the Engagement

Estimated hours to complete

Below is a breakdown estimated hours to complete the audit along with level of staff and number of house to be assigned to each proposed segment of the engagement, type and extent of procedures to be used, and approach to be taken to complete the City's audit request in an efficient and effective manner.

Segment / Hours By Staff	Hours	Principals	Manager/Director	Seniors	Associates
Planning and Strategy	200	25	75	60	40
Systems Evaluation	250	20	50	100	80
Testing and Analysis	350	15	40	110	185
Reporting and Follow-up	100	25	40	25	10
Total	900	85	205	295	315

Significant involvement of principals and managers — An important distinction between CLA and other firms is the amount of principal and manager involvement in the engagement. Because our principals and managers are directly involved in the engagement during fieldwork, we can proactively identify significant issues immediately and resolve them with management so that the engagement is essentially complete when fieldwork ends.



Extent of Use of Electronic Data Processing

Where appropriate, we will use CaseWare's IDEA (IDEA) software. IDEA is a file interrogation, or data analysis, tool that facilitates an efficient audit of large volumes of transactions. IDEA is able to read electronic downloads of transactions in many different formats, including text files, spreadsheet files, print report, PDF, and database files. Potential applications for IDEA at the County may include the following:

- Sampling for testing of internal controls
- Sampling of disbursements
- Selection of journal entries related to identified fraud risks
- Summation of large volumes of similar transactions or sub-ledgers to determine agreement to the general ledger
- Substantive testing in areas such as P-cards, utility billing, procurement, payroll
-



Additionally, please see our previous section *Data Analytics*.

Approach to be taken to Gain and Document an understanding of the City's Internal Control Structure

We understand changing audit firms would require a new set of auditors to develop an understanding of the City and its internal control and operating structure. We also strive to develop our understanding in the least intrusive manner possible, while still maintaining our professional responsibilities. We would utilize a combination of internal control forms and interviews with key accounting personnel to gain and document our understanding of the City. We will also use as a baseline any existing internal control processes, policies, organizational charts, etc. the City may have already documented. Tests of design and operating effectiveness would then be performed to confirm our understanding.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) has established a framework for internal control systems. Under the COSO framework, internal control is a process to provide reasonable assurance that those internal objectives, including effectiveness and efficiency of business operations, reliability of financial reporting, and compliance with applicable laws and regulations, will be met.

Our audit approach is designed to evaluate and test the departmental internal controls in accordance with COSO concepts. Our procedures include a review of the overall control environment, determination of the internal controls which are determined to be direct and material to the federal program under review, determination of the adequacy of those procedures, and testing of the procedures to determine if they are functioning as designed.

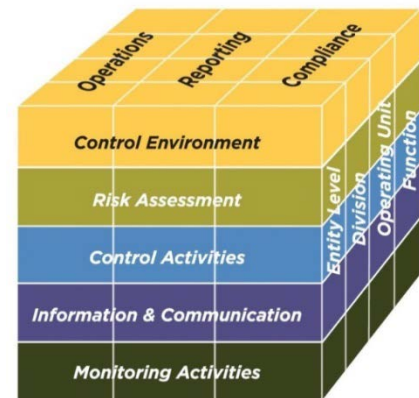


Figure 3: COSO Internal Control: Integrated Framework

During the planning and internal control phases of our audit, we will develop our understanding of the City business operations and internal control structure for financial accounting and relevant operations through observation, discussion, and inquiries with management and appropriate personnel. During this phase of the audit, we will review budgets and related materials, organization charts, accounting and purchase manuals, and other systems documentation that may be available.

Once we understand your operations, we will then identify control objectives for each type of control that is material to the financial statements. The next step will be to identify and gain an understanding of the relevant



control policies and procedures that effectively achieve the control objectives. We will then determine the nature, timing and extent of our control testing, and perform tests of controls.

This phase of the audit will include extensive testing of controls over transactions, financial reporting, and compliance with laws and regulations. Whenever possible, we will use dual-purpose tests to reduce the need to select multiple samples for internal control and compliance testing. We will be as efficient as possible, thereby reducing the disruption to your operations while achieving our audit objectives.

Our assessment of internal controls will determine whether the City has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

- Transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements and to maintain accountability over assets
- Assets are safeguarded against loss from unauthorized acquisition, use, or disposition
- Transactions are executed in accordance with laws and regulations that could have a direct and material effect on the financial statements

Our workpapers during this phase will clearly document our work through the preparation of the following for each significant transaction cycle or accounting application:

- Audit program
- Cycle memo and supporting documentation
- Account risk analysis (ARA)
- Specific control evaluation (SCE)

Approach to be taken in determining Laws and Regulations that will be Subject to Audit Test Work

Auditing Standards AU-C Section 935 – “Compliance Audits”, establishes standards for testing and reporting on compliance with laws and regulations. We will perform tests to determine the City’s compliance with certain provisions of laws and regulations (Florida Statutes, Florida Administrative Code, Federal Rules, and the City’s significant ordinances), contracts, debt agreements, and grant agreements where noncompliance could have a **direct and material effect** on the financial statements.

The institutional knowledge and experiences that our local engagement team members have gained while auditing Florida municipalities and counties, both large and small, have prepared our proposed engagement team to be able to swiftly handle any compliance or regulatory issue that may arise during the audit of the City.

For instance, we have developed standardized testing templates and provided in depth training to our Florida local government audit professionals in order to better equip them to tackle issues that are typically unique to Florida governments, such as the following:

- The determination as to whether or not the City complied with Section 218.415, Florida Statutes, regarding the investment of public funds.
- Verification that the City complied with Section 166.241, Florida Statutes, regarding adoption and reporting of annual budget, such as the minimum information required to be included in the budget, when the budget must be posted on the City’s website after adoption, requirements on posting budget amendments, and so on.
- The evaluation of debt covenant compliance requirements, for example the need for sinking fund requirements, other reserve funds that may be required (such as an operating reserve fund, repair and replacement fund, rate stabilization fund, etc.), or financial covenants that must be met (such as the debt service coverage ratio).



- Application of financial condition assessment procedures pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General of the State of Florida, and determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes and Chapter 2012-38, Laws of Florida.

Approach to be taken in drawing Audit Samples for purposes of Tests of Compliance

For each of the direct and material compliance requirements, we will document our understanding of the internal controls as they relate to the specific compliance requirement. This understanding will include a review of the overall compliance requirement control activities, risk assessment by the organization, methods used for accumulating and communicating information and process for monitoring internal control adherence. Utilizing this information, we will make a determination of the control environment and determine an appropriate plan to test the controls. We will then determine the appropriate compliance testing to be performed. In many cases, we will perform dual purpose tests utilizing the same sample.

The samples for compliance testing are risk based and consider the significance of the population subject to testing, inherent risk of non-compliance and the control environment and its effectiveness.

Samples for purposes of compliance testing for populations less than 250 generally range from 10-15 percent of the population or the identification and testing of individually significant transactions to obtain adequate population coverage. Samples for populations in excess of 250 range from 25 to 60 items.

The samples for purposes of compliance testing for populations greater than 100 are drawn randomly or haphazardly from the population of transactions utilizing applicable numerical sample techniques. These techniques consider confidence level, tolerable error and attribute risk in determining sample sizes. We will use dual-purpose testing whenever possible to increase audit efficiency.

Approach to be taken in Reviewing Financial Statements

We have current experience assisting a number of Florida governments receive the GFOA Certificate of Achievement for Excellence in Financial reporting (the Certificate). Our Florida State and Local Government Services team also includes 2 members of the Special Review Committee for the certificate.

The City's Proposed engagement principal, Andrew Laflin, will coordinate the activities necessary to maintain that the City receives the Certificate for the fiscal year ending September 30, 2018 and beyond, if that is the City's intention. This will include reviewing the GFOA reviewer comments from the previous fiscal year's submission, as well as utilizing a GFOA disclosure checklist in order to maintain all components of the City's CAFR (introductory section, MD&A, basic financial statements and notes, Required Supplementary Information, Other Supplementary Information, and statistical section) are in compliance with all applicable financial statement presentation and disclosure requirements.

Approach to be taken in Assessing Risks of Information Systems related to Financial Reporting

Information Technology (IT) is an integral part of any financial statement audit and our team of IT professionals possess a multitude of industry certifications and extensive experience, working hand in hand with audit staff on engagements. We will be diligent and meticulous in obtaining and understanding the organization's internal controls as we plan the IT controls portion of the audit and determine the nature, timing, and extent of IT tests to be performed. We will use an IT security principal and manager who will consider the design of internal controls by using the same methods your organization uses to process accounting information. Our review will also consider the complexity of the processing of accounting information and the extent to which information systems are used in significant accounting applications.



We will utilize a risk-based, top-down approach to evaluate the materiality and significance in determining effective and efficient IT audit procedures. It will consist of the following:

- An evaluation of organization-wide IT general controls and their effect on audit risk and on the extent of audit testing. Effective organization-wide IT general controls can reduce audit risk, while ineffective agency-wide controls can result in increased audit risk and generally contribute to weaknesses at the system and individual application level.
- An evaluation of general controls and their pervasive impact on application controls. Effective general controls support the effectiveness of application controls, while ineffective general controls generally render application controls ineffective.
- An evaluation of security management at all levels of control (agency-wide, system, and application levels).
- A control hierarchy (control categories, critical elements, and control activities) to assist in evaluating the significance of identified IT control weaknesses. If a critical element is not achieved, the respective control category is not likely to be achieved.
- Groupings of control categories consistent with the nature of the risk.

We will have a detailed and in-depth understanding of the IT applications. CLA has designed a detailed control framework that focuses on specific controls that can be leveraged for your IT testing and audit support assessments. We pride ourselves on developing and implementing an IT audit approach and methodology that is flexible, risk sensitive, and makes maximum use of our experience and professional judgment. Our IT approach and methodology allows us to perform an audit from management's perspective, allowing us to make observations and recommendations that are responsive to the concerns of City's management.



Proof of Professional Liability Insurance

It is our firm's policy not to disclose specific liability coverage details during the proposal process; however, CliftonLarsonAllen LLP carries commercially reasonable amounts of professional (malpractice) and general liability insurance. If requested, the firm will provide a certificate of coverage for an amount specified by the City upon being engaged.



Quality Control Procedures and Peer Review Report

The most recent peer review report we received a rating of *pass*, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. The full report is provided on the following page.

In addition to an external peer review, we have implemented an intensive internal quality control system to provide reasonable assurance that the firm and our personnel comply with professional standards and applicable legal and regulatory requirements. Our quality control system includes the following:

- A quality control document that dictates the quality control policies of our firm. In many cases, these policies exceed the requirements of standard setters and regulatory bodies. Firm leadership promotes and demonstrates a culture of quality that is pervasive throughout the firm's operations. To monitor our adherence to our policies and procedures, and to foster quality and accuracy in our services, internal inspections are performed annually.
- Quality control standards as prescribed by the AICPA. The engagement principal is involved in the planning, fieldwork, and post-fieldwork review. In addition, an appropriately experienced professional performs a risk-based second review of the engagement prior to issuance of the reports.
- Hiring decisions and professional development programs designed so personnel possess the competence, capabilities, and commitment to ethical principles, including independence, integrity, and objectivity, to perform our services with due professional care.
- An annual internal inspection program to monitor compliance with CLA's quality control policies. Workpapers from a representative sample of engagements are reviewed and improvements to our practices and processes are made, if necessary, based on the results of the internal inspection.
- Strict adherence to the AICPA's rules of professional conduct, which specifically require maintaining the confidentiality of client records and information. Privacy and trust are implicit in the accounting profession, and CLA strives to act in a way that will honor the public trust.
- A requirement that all single audit engagements be reviewed by a designated single audit reviewer, thereby confirming we are in compliance with the standards set forth in OMB *Uniform Guidance*.



System Review Report

To the Principals of CliftonLarsonAllen LLP
and the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP (the "firm") applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 and SOC 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. CliftonLarsonAllen LLP has received a peer review rating of pass.



Cherry Bekaert LLP
November 21, 2016

AICPA membership

The most recent peer review report we received a rating of *pass*, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. The full report is provided on the following page. *This quality control review included a review of specific government engagements.*

In addition to an external peer review, we have implemented an intensive internal quality control system to provide reasonable assurance that the firm and our personnel comply with professional standards and applicable legal and regulatory requirements. Our quality control system includes the following:

- A quality control document that dictates the quality control policies of our firm. In many cases, these policies exceed the requirements of standard setters and regulatory bodies. Firm leadership promotes and demonstrates a culture of quality that is pervasive throughout the firm's operations. To monitor our adherence to our policies and procedures, and to foster quality and accuracy in our services, internal inspections are performed annually.
- Quality control standards as prescribed by the AICPA. The engagement principal is involved in the planning, fieldwork, and post-fieldwork review. In addition, an appropriately experienced professional performs a risk-based second review of the engagement prior to issuance of the reports.
- Hiring decisions and professional development programs designed so personnel possess the competence, capabilities, and commitment to ethical principles, including independence, integrity, and objectivity, to perform our services with due professional care.
- An annual internal inspection program to monitor compliance with CLA's quality control policies. Workpapers from a representative sample of engagements are reviewed and improvements to our practices and processes are made, if necessary, based on the results of the internal inspection.
- Strict adherence to the AICPA's rules of professional conduct, which specifically require maintaining the confidentiality of client records and information. Privacy and trust are implicit in the accounting profession, and CLA strives to act in a way that will honor the public trust.
- A requirement that all single audit engagements be reviewed by a designated single audit reviewer, thereby confirming we are in compliance with the standards set forth in OMB *Uniform Guidance*.

Participation in Quality Improvement Programs

We work with governmental entities across the country, and our exposure to the circumstances and issues that surround your industry will allow us to serve you with unparalleled knowledge and insight. We understand the specific needs and challenges of the public sector and have been serving clients similar to the City of Gainesville, FL for decades.

We are actively involved in and/or are members of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- AICPA's State and Local Government Expert Panel
- AICPA's Government Audit Quality Center (GAQC)
- Government Finance Officers Association (GFOA)
- Special Review Committee for the GFOA's
- Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program
- AICPA Single Audit Quality Task Force
- Association of Government Accountants



Our participation/membership in the aforementioned professional organizations, combined with various other technical services we subscribe to, allows use to be at the forefront of change in the government



environment. We take seriously our responsibility for staying current with new accounting pronouncements, auditing standards, other professional standards and laws and regulations.

Price Proposal

As requested in the City of Gainesville, Florida's RFP NO. CAUD-190002-DH, the price proposal has been submitted separately in a sealed envelope.



Appendix – Required Forms



Drug-Free Workplace

Proposal Response Form



DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that

CliftonLarsonAllen does: (Name of Business)

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for the drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.



Bidder's Signature



Date



PROPOSAL RESPONSE FORM – SIGNATURE PAGE

(submit this form with your proposal)

TO: City of Gainesville, Florida
200 East University Avenue
Gainesville, Florida 32601

PROJECT: Professional Auditing Services for General Government

RFP#: CAUD-190002-DH

RFP DUE DATE: June 28, 2018

Proposer's Legal Name: Clifton Larson Allen LLP

Proposer's Alias/DBA: CLA

Proposer's Address: 201 North Franklin St Ste 2500
Tampa, FL 33602

PROPOSER'S REPRESENTATIVE (to be contacted for additional information on this proposal)

Name: Andrew Laflin Telephone Number 813 384-2711

Date: 6/27/18 Fax Number 813 384 2750

Email address andrew.laflin@clarconnect.com

ADDENDA

The Proposer hereby acknowledges receipt of Addenda No.'s 1, 2, 3, to these Specifications.

TAXES

The Proposer agrees that any applicable Federal, State and Local sales and use taxes, which are to be paid by City of Gainesville, are included in the stated bid prices. Since often the City of Gainesville is exempt from taxes for equipment, materials and services, it is the responsibility of the Contractor to determine whether sales taxes are applicable. The Contractor is liable for any applicable taxes which are not included in the stated bid prices.

LOCAL PREFERENCE (check one)

Local Preference requested: YES NO

A copy of your Business tax receipt and Zoning Compliance Permit should be submitted with your bid if a local preference is requested.

QUALIFIED LOCAL SMALL AND/OR DISABLED VETERAN BUSINESS STATUS (check one)

Is your business qualified as a Local Small Business in accordance with the City of Gainesville Small Business Procurement Program? (Refer to Definitions) YES NO

Is your business qualified as a Local Service-Disabled Veteran Business in accordance with the City of Gainesville Small and Service-Disabled Veteran Business Procurement Program? (Refer to Definitions)

YES No

LIVING WAGE COMPLIANCE

See Living Wage Decision Tree (Exhibit C hereto)

Check One:

- Living Wage Ordinance does not apply (check all that apply)
 - Not a covered service
 - Contract does not exceed \$100,000
 - Not a for-profit individual, business entity, corporation, partnership, limited liability company, joint venture, or similar business, who or which employees 50 or more persons, but not including employees of any subsidiaries, affiliates or parent businesses.
 - Located within the City of Gainesville enterprise zone.
- Living Wage Ordinance applies and the completed Certification of Compliance with Living Wage is included with this bid.

NOTE: If Contractor has stated Living Wage Ordinance does not apply and it is later determined Living Wage Ordinance does apply, Contractor will be required to comply with the provision of the City of Gainesville's living wage requirements, as applicable, without any adjustment to the bid price.

SIGNATURE ACKNOWLEDGES THAT: (check one)

- Proposal is in full compliance with the Specifications.
- Proposal is in full compliance with specifications except as specifically stated and attached hereto.

Signature also acknowledges that Proposer has read the current City of Gainesville Debarment/Suspension/Termination Procedures and agrees that the provisions thereof shall apply to this RFP.

ATTEST:

(CORPORATE SEAL)
PROPOSER:

Bridget Leon
 Signature
 By: Bridget Leon
 Title: Service Processing Coordinator

Andrew Laflin
 Signature
 By: Andrew Laflin
 Title: Principal



Bridget Leon
 6/27/18

ADDENDUM NO. 1



Date: June 18, 2018

Bid Date: June 28, 2018
at 3:00 P.M. (Local Time)

RFP Name: Professional Auditing Services for General Government Bid No.: CAUD-190002-DH

NOTE: This Addendum has been issued only to the holders of record of the specifications.

The original Specifications remain in full force and effect except as revised by the following changes which shall take precedence over anything to the contrary:

1. Any questions shall be submitted in writing to the City of Gainesville Purchasing Division by 3:00 p.m. (local time), June 25, 2018. Questions may be submitted as follows:
Email: holderds@cityofgainesville.org
or
Faxed (352) 334-3163
Attention: Diane Holder
2. Please find attached:
 - a) Copy of the black-out period information (Financial Procedures Manual Section 41-423 Prohibition of lobbying in procurement matters) distributed during mandatory pre-bid meeting.
 - b) Attachment A – Current Contract and engagement letter
 - c) Attachment B – Employees’ Pension Fund-Auditor’s report
 - d) Attachment C - Community Redevelopment Agency-Auditor’s report
 - e) Attachment D - Other Postemployment Benefits Fund-Auditor’s report
 - f) Attachment E – Wild Spaces and Public Places Funds-Auditor’s report

The following are answers/clarifications to questions received prior to the non-mandatory pre-bid conference:

3. Question: In preparation for the pre-bid meeting this Thursday it would be helpful to have the following:
 - a) Current auditor contract with all attachments and amendments including pricing breakdown.
 - b) 9/30/2017 and 9/30/2016 audited financial statement for the following (these are requirements of the RFP):
 - a. General Government’s Pension
 - b. Other Post-Employment Benefit (OPEB) Funds
 - c. Wild Spaces Public Places Capital Projects Funds
 - d. Community Redevelopment Agency (CRA) Funds

Answer: See attachments for reports.

The total bid was a lump sum \$105,000 for the first year (FY17), so there was no breakdown in the RFP.

However, internally when we prepared the PO, Finance broke it down as follows to charge the appropriate Funds:

001-General Government:	\$82,000
604-Gen Pen:	4,000
607/608-Consolidated:	4,000
358-WSPP	4,000
111-CRA:	5,000
601-Retiree Health	<u>6,000</u>
Total Contract	<u>\$105,000</u>

ACKNOWLEDGMENT: Each Proposer shall acknowledge receipt of this Addendum No. 1 by his or her signature below, **and a copy of this Addendum to be returned with proposal.**

CERTIFICATION BY PROPOSER

The undersigned acknowledges receipt of this Addendum No. 1 and the Proposal submitted is in accordance with information, instructions, and stipulations set forth herein.

PROPOSER: Andrew Laflin

BY: Andrew Laflin

DATE: 6/27/18

ADDENDUM NO. 2



Date: June 21, 2018

Bid Date: June 28, 2018
at 3:00 P.M. (Local Time)

RFP Name: Professional Auditing Services for General Government Bid No.: CAUD-190002-DH

NOTE: This Addendum has been issued only to the holders of record of the specifications.

The original Specifications remain in full force and effect except as revised by the following changes which shall take precedence over anything to the contrary:

1. Any questions shall be submitted in writing to the City of Gainesville Purchasing Division by 3:00 p.m. (local time), June 25, 2018. Questions may be submitted as follows:
 - Email: holderds@cityofgainesville.org
 - or
 - Faxed (352) 334-3163
 - Attention: Diane Holder
2. Please find attached:
 - a) Copy of the black-out period information (Financial Procedures Manual Section 41-423 Prohibition of lobbying in procurement matters) distributed during non-mandatory pre-bid meeting.
 - b) Pre-Proposal Sign in sheet
 - c) ATTACHMENT – Consolidated Police Officers and Firefighters Retirement Plan-Auditor's report
3. Diane Holder, Purchasing Division, discussed bid requirements.
 - a. Sign-in Sheet is circulating.
 - b. Bids are to be received by the Purchasing office no later than 3:00 p.m. on June 28, 2018. Any bids received after 3:00 p.m. on that date will not be accepted.
 - c. Send questions in writing to Diane Holder via email or fax. Discussed black-out period.
 - i. All communication through Diane Holder only. Do not communicate with other City staff.
 - d. Discussed bid due date, time and delivery location.
 - i. Deliver (or have delivered) to Purchasing by 3PM on June 28, 2018.
 - e. Various forms (i.e. Tabulation of Subcontractor and Material Suppliers) are to be completed and returned with your bid.
 - i. Sign, date and return all Addenda. You may include just the signature page of the addenda with your proposal.
 - f. Include all information that MUST/SHALL be included with your proposal.

4. Eileen Marzak, Assistant City Auditor, discussed the project scope:
 - a. Time Table is on page 2 of the RFP document.
 - b. Carlos Holt, City Auditor, reports directly to the City Commission. He will oversee the contract and monitor the deliverables. Audit & Finance committee, which consists of two city commissioners (mayor and mayor pro-tem), approve items of the City Auditor's office to go to the City Commission. (see Section D, page 22).
 - c. The City went through a RFP process for General Government (GG) and Gainesville Regional Utilities (GRU) in 2016 for FY 2017, FY 2018 and FY 2019 with two additional two-year periods. The deliverables were not timely for FY 2017 under the current contract for General Government, and the contract was subsequently cancelled.
 - d. This contract term will be for FY 2018 and FY 2019 with two additional two-year periods to bring it back in alignment with the GRU contract. (see correction below)
 - e. Page 9 –Scope of Services, includes audits for:
 - i. General Government
 - ii. Wild Spaces Public Places
 - iii. Community Redevelopment Agency (CRA)
 - iv. Consolidated Pension (Fire and Police)
 - v. General Employee Pension Plan
 - vi. OPEB

NOTE CORRECTION:

SECTION V-GENERAL PROVISIONS

B. GENERAL TERMS AND CONDITIONS

7. Term. The term of the contract(s) will commence upon final execution and will continue for ~~three~~ two (3-2) years, subject to funding in subsequent fiscal years. At the end of the contract period, upon satisfactory performance, the City may, at its option, negotiate and extend the contract(s) for up to two additional two year periods.

The following are answers/clarifications to questions received at the non-mandatory pre-bid conference:

5. Question: Do you want the electronic versions of the proposal and price proposal on separate CD's or can they be on one?
Answer: Two separate CD's
6. Question: Where in our submittal should we include required forms (i.e. Drug Free Workplace, Proposal Response Form)?
Answer: You may include them under a tab "Required Forms" at the end of your proposal.
7. Question: Was the audit for the Consolidated Pension audit separate? Who did it?
Answer: The Consolidated Police and Fire audit is part of this contract. Please see Page 22 for the list of single employer pension and OPEB plans included in the scope. In our response to Addendum #1 we erroneously omitted the attachment of that audit; that audit is now attached as part of this Addendum #2. The City is looking for a total price for the RFP. The City internally charges each fund accordingly.

8. Question: It looks like the prior auditor drafted the previous statements and the City did the CAFR. How does the City want it?
Answer: City staff prepares the CAFR, and the various individual financial statements based on auditor templates.
9. Question: Do you want one price for all separate audits and the main CAFR audit?
Answer: Yes, all together for one price.
10. Question: Page 11 refers to rates for additional services. Have you required additional services?
Answer: No.
11. Question: Do you want rates for additional services?
Answer: No, it will be negotiated if required.
12. Question: What is your typical timeline? Internal timeline?
Answer: Staff will be prepared for auditors with all entries, draft fund financials, and standard lead schedules by the beginning of December. Typically present the CAFR and financials to the City Commission by the end of March.
13. Question: You discuss a potential new software. Where are you with that process?
Answer: Proposals for a new ERP are currently due June 29, 2018. That is probably at least two years out. Factor that into your proposal.
14. Question: Are there any accounting issues i.e. bond?
Answer: The Finance Department is strong in its knowledge base with accounting issues and in performance. The recent transition with a new finance director was seamless and did not interfere with the audit timeline.
15. Question: What about past financial performance? Are there any issues?
Answer: No management letter comments for several years, rarely any suggested journal entries.
16. Question: Do you know the engagement hours?
Answer: No. We do not track it and it is not on the invoice. The billing is based on a percentage basis.
17. Question: Can you provide the audit fee for the past?
Answer: See addendum #1.

ACKNOWLEDGMENT: Each Proposer shall acknowledge receipt of this Addendum No. 2 by his or her signature below, **and a copy of this Addendum to be returned with proposal.**

CERTIFICATION BY PROPOSER

The undersigned acknowledges receipt of this Addendum No. 2 and the Proposal submitted is in accordance with information, instructions, and stipulations set forth herein.

PROPOSER: Andrew Laflin

BY: Andrew Laflin

DATE: 6/27/18

ADDENDUM NO. 3



Date: June 25, 2018

Bid Date: June 28, 2018
at 3:00 P.M. (Local Time)

RFP Name: Professional Auditing Services for General Government Bid No.: CAUD-190002-DH

NOTE: This Addendum has been issued only to the holders of record of the specifications.

The original Specifications remain in full force and effect except as revised by the following changes which shall take precedence over anything to the contrary:

1. Please find attached:
 - a) Copy of the black-out period information (Financial Procedures Manual Section 41-423 Prohibition of lobbying in procurement matters) distributed during non-mandatory pre-bid meeting.
 - b) Copy of the non-mandatory pre-proposal sign in sheet (not included in Addendum No. 2)

The following are answers/clarifications to questions received after the non-mandatory pre-bid conference:

2. Question: What were the audit fees for the year ending 9/30/2014, 9/30/2015 and 9/30/2016 audits?
Answer: Audit Fees for General Government audit segment were:

FY14	\$104,660
FY15	\$106,295
FY16	\$107,099

ACKNOWLEDGMENT: Each Proposer shall acknowledge receipt of this Addendum No. 3 by his or her signature below, **and a copy of this Addendum to be returned with proposal.**

CERTIFICATION BY PROPOSER

The undersigned acknowledges receipt of this Addendum No. 3 and the Proposal submitted is in accordance with information, instructions, and stipulations set forth herein.

PROPOSER: Andrew LaFlin
BY: Andrew LaFlin
DATE: 6/27/18

