

Proposal to Provide Audit Services to
Pinellas County License Board

July 21, 2017



CONTACT:
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Thomas Howell Ferguson P.A.

C E R T I F I E D P U B L I C A C C O U N T A N T S

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About The Firm

In this proposal, we have combined the experience and resources of two accounting firms, which on a combined basis provide an overwhelming amount of government audit services in Leon and Hillsborough counties. Thomas Howell Ferguson P.A. (THF), the principal auditor, and Law, Redd, Crona & Munroe, P.A. (LRCM), the subcontractor, have jointly assembled a client service team which will provide continuity to the engagement, a working knowledge of our community, and accessibility on an ongoing basis. A profile of each firm follows.

Thomas Howell Ferguson P.A.

THF is a full-service professional services firm which was founded in June 1993 to acquire the Tallahassee office of Ernst & Young, an international firm. Our THF home office is located in Tallahassee with an additional office location in Tampa. Partners of THF are former partners or employees of Ernst & Young. Presently, we have over 85 professionals and support staff to serve you. Within our team, 60 are CPAs/CPA eligible professionals and 33 have experience performing services in accordance with government auditing standards. We have made a substantial commitment to fulfilling the needs of state and local governmental clients, and we intend to continue this commitment.

The personnel of THF have extensive public sector experience and have served a multitude of local governments and state agencies. Our public sector practice is one of the largest in the North Florida area. We combine the quality training of a large firm with the responsiveness of professionals who know the community and are committed to providing individualized services to our governmental clients.

We are attuned to the needs of governmental entities and deliver services to them with unwavering commitment to superior quality. The challenges facing you require a high degree of innovation, technical proficiency, business acumen, and experience. Our people possess these attributes and our organizational structure expedites their ability to provide vital information and advice quickly and decisively.

THF is an integral part of the RSM US Alliance, formerly the McGladrey Alliance, the national accounting firm association of RSM US LLP. RSM US ranks as the nation's fifth largest provider of accounting, audit, tax, and business consulting. As a member of RSM US Alliance, THF has access to resources and services RSM US LLP provides its own clients. RSM US LLP is the leading provider of audit, tax and consulting services focused on the middle market, with more than 9,000 people in 86 offices nationwide. RSM US LLP is a licensed CPA firm and the U.S. member of RSM International, a global network of independent audit, tax, and consulting firms with more than 38,000 people in over 120 countries.

We accepted an invitation to become a member of RSM US Alliance because it is a natural fit with our commitment to our clients and our determination to stay at the forefront of developments affecting accounting and consulting firms today.

THF is also an independently owned and operated member firm of CPAmerica International, one of the largest associations of CPA firms in the United States. Through our affiliation, we have instant access to the expertise and resources of more than 3,900 professionals across America and access to national and international markets. CPAmerica is a member of Crowe Horwath International, providing our firm access to more than 200 independent accounting and advisory services firms in more than 120 countries worldwide.

As a client of our firm, you truly receive the best of both worlds: the personal attention and sincere concern of a local firm and the knowledge and resources of an international association.

We maintain our name, autonomy, and independence as a locally-owned and responsive accounting firm responsible for our own client fee arrangements, our own delivery of services, and our own maintenance of client relationships. More information about these alliances can be found in Appendix A.

Law, Redd, Crona & Munroe, P.A.

Law, Redd, Crona & Munroe, P.A. (LRCM) has been serving Florida since 1978. The firm provides accounting, auditing, tax, and consulting services to a wide range of clients including state and local governments, not-for-profit organizations, as well as private enterprises in a wide range of industries. 16 of our partners and staff have governmental auditing, accounting, and consulting experience.

LRCM has dedicated substantial resources to its governmental practice. Services to municipalities, counties, special districts, and state agencies include: annual financial and compliance audits, single audits, accounting services, annual reports to the Florida Department of Financial Services, policy and procedural manuals, comfort letters, cost/benefit analyses, cost allocation plans, agreed-upon procedures, and assistance in preparation of comprehensive annual financial reports for submission to the Government Finance Officers Association for a Certificate of Achievement.

Our combined Firm makes a significant effort to participate in governmental, not-for-profit, and professional associations. Some of our partners and staff are or have been members of local not-for-profit boards of directors, the Florida Institute of Certified Public Accountants' (FICPA) Board of Governors, Committee on Relations with State and Local Government, Governmental Finance Officers Association, Board of Trustees of the FICPA Health Benefit Trust, and the FICPA Educational Foundation, and others.

Members from THF and LRCM also participate in various community organizations as highlighted on page 6. Our participation is a way to grow and share ideas and to give something back to our community and our profession.

Quality Control and Peer Review

Our system of quality control involves a partner independent from the detail of the specific engagement, but experienced in governmental reporting, to inspect the financial statements and the audit file for compliance with professional auditing and reporting standards.

To further ensure audit quality, we are a member of the American Institute of Certified Public Accountants (AICPA) Governmental Audit Quality Center (GAQC). As a member of the GAQC, our CPA firms have made a commitment to adhere to GAQC membership requirements that are designed to introduce additional quality control features to our practice and comply with increased educational expectations. Jeff Barbacci, a member of our proposed team, is currently a member of the AICPA's Executive Committee of Government Audit Quality Center. We receive up-to-date information on a variety of technical, legislative, and regulatory subjects that we then apply to your audit to help ensure that you are in compliance with the appropriate standards and changes in regulation.

We are proud of our reputation as firms with high standards that deliver quality service. Control over the quality of our services is of paramount importance to us because it is necessary to meet the many challenges in today's business climate. Our various quality control procedures and policies are also important to you because they help ensure a uniformly high standard of quality service.

THF is a member of the Private Companies Practice section (PCPS) of the AICPA and the AICPA Government Audit Quality Center. A participating PCPS member must obtain an independent peer review every three years of its quality control policies and procedures to assess compliance with existing auditing standards. THF's most recent peer review, which included a review of specific government engagements, was performed in August 2016, and the firm received a pass opinion.

LRCM has undergone triennial external peer reviews since 1990. LCRM's most recent external peer review, which included a review of specific government engagements, was conducted in August 2014. All areas under review received a pass opinion. LRCM will complete its 2017 Peer Review during this summer. Additionally, our firms conduct an intensive internal quality control review of a sample of our engagements each year, which includes a review of specific government engagements.

The peer review program is one measure of a firm's quality. The peer reviews further support our view that our engagements evidence a high-degree of partner participation. "Hands on" involvement enables our partners to deal with critical issues quickly and decisively and to communicate meaningfully with our clients' management and audit committees. Copies of the external peer reviews can be found on the following pages.



Gregory, Sharer & Stuart, P.A.

Certified Public Accountants and Business Consultants

System Review Report

To the Shareholders of Thomas Howell Ferguson, P.A.
And the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Thomas Howell Ferguson, P.A. (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 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 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 the *Government Auditing Standards*, audits of employee benefit plans and examinations of service organizations (SOC 1 engagements).

In our opinion, the system of quality control for the accounting and auditing practice of Thomas Howell Ferguson, P.A. applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 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*. Thomas Howell Ferguson, P.A. has received a peer review rating of *pass*.

A handwritten signature in black ink that reads 'Gregory, Sharer & Stuart, P.A.' The signature is written in a cursive, flowing style.

Gregory, Sharer & Stuart, P.A.
August 24, 2016

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(727) 821-6161 | Fax (727) 822-4573 | www.gsscpa.com



Gregory, Sharer & Stuart, P.A.

Certified Public Accountants and Business Consultants

System Review Report

To the Shareholders of Law, Redd, Crona & Munroe, P.A.
And the Peer Review Committee of the Florida Institute of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Law, Redd, Crona & Munroe, P.A. (the firm) in effect for the year ended March 31, 2014. 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 the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Law, Redd, Crona & Munroe, P.A. in effect for the year ended March 31, 2014, 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*. Law, Redd, Crona & Munroe, P.A. has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Gregory, Sharer & Stuart, P.A." with a stylized flourish at the end.

Gregory, Sharer & Stuart, P.A.
August 20, 2014

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We are committed to supporting the community where we have our offices and where our employees and clients live. In 2016, our firms had over 1,500 volunteer hours. Below are some of the organizations we are involved in and support in the Tampa and Tallahassee community.

- ▲ Access, Tallahassee Chamber
- ▲ Boy Scouts
- ▲ Boys and Girls Club of America
- ▲ Boys Town
- ▲ Community Leadership Academy
- ▲ Corporate Cup Challenge
- ▲ ECHO
- ▲ Emerging Leaders of Tampa Bay
 - ▲ Community Outreach Committee
- ▲ Florida Dental Foundation
- ▲ Florida State University, College of Business
 - ▲ The Florida Catastrophic Storm Risk Management Center
 - ▲ John Perry Thomas Speaker Series
- ▲ Girls on the Run
- ▲ Habitat for Humanity
- ▲ Holy Comforter Episcopal School
- ▲ John G Riley Elementary School
 - ▲ Donated supplies to internal store for students
 - ▲ Christmas Cookie Exchange for teachers
 - ▲ Valentine's Day goodie bags for all 600 students
 - ▲ Provided meals for 5 families at Thanksgiving
- ▲ Kids Inc. of the Big Bend
- ▲ LeMoyne Art Gallery
- ▲ Rock the Pink Lip Sync
- ▲ Ronald McDonald House
- ▲ School of Arts and Sciences, Finance Committee Chair
- ▲ Southern Scholarship Foundation
- ▲ Tallahassee Memorial Healthcare Foundation
- ▲ Tallahassee Northside Rotary Club
- ▲ Tallahassee Rotary Club
- ▲ The Foundation for Leon County Schools
- ▲ The Kearney Center
- ▲ Thomasville Road Baptist Church, Stewardship Committee
- ▲ Tiger Bay
- ▲ United Way of the Big Bend

Current Board Participation
Big Brothers Big Sisters, Treasurer
Capital Area Healthy Start Coalition, President & Treasurer
Challenger Learning Center, Chairman
Community Foundation of North Florida, Treasurer
Guardian ad Litem - Child Advocates II, Treasurer
Joanna Francis Living Well Foundation
Leadership Tallahassee
Lee's Place
St. Francis Wildlife Association
Tallahassee Area Convention & Visitors Bureau
Tallahassee Ballet
Tallahassee Chamber of Commerce, Treasurer
Tallahassee Memorial Healthcare
Tallahassee Museum, Secretary
Tallahassee Symphony Orchestra, Director & Secretary
The Downs Syndrome Association of Tallahassee, Treasurer
The Saint Andrew Society of Tallahassee, Audit Chairman
Tree House of Tallahassee, Inc., Treasurer

INVOLVEMENT



The Value of an Experienced Firm

The most effective audit, at the most reasonable cost (directly and indirectly), will involve a firm that has the most experience with PCLB. Of course, experience alone does not create a quality audit. A quality audit results from a firm that possesses the following characteristics:

- An established and proven system of quality control over its audit practice.
- A demonstrated ability to evaluate engagement risks and in *applying* the resulting risk assessments to the audit plan.
- A commitment toward being leaders in the industry and staying ahead of the changes in auditing, reporting, and legislative issues impacting its governmental clients.
- Professional staff with the extensive experience in the government industry that is available to you during the audit and throughout the year.

A quality audit also results from the people and systems in place at the client level. Some of the critical client components contributing to a quality audit include the following:

- An active and engaged audit committee dedicated to developing and maintaining effective systems of internal control.
- A governance structure dedicated to providing resources for its staff that allows the achievement of effective communication and control processes associated with financial reporting and compliance.
- A knowledgeable and experienced management team that sets an appropriate tone for the organization and is able to take responsibility for your financial systems and reports.

We have worked well with PCLB, because both your organizations and our Firm possess the characteristics to achieve a quality audit. We both take the audit process very seriously and strive each year to improve it. Over the past few years, we have worked together with you to improve the efficiency of the audit process and to focus our attention on issues that have audit, compliance, or financial reporting implications. We do not spend your time, or our effort, in areas of low risk and little importance.

The firm that performs its audits with integrity, in accordance with professional standards, and in a client environment with a strong system of controls and governance, will provide a quality audit. We want to continue to be that firm for you.

On the following page, we have addressed, in more detail, our credentials to provide a quality audit. We hope the information provided will demonstrate our integrity in the performance of our audits and in our approach to serving our clients.

The Value of an Experienced Firm (continued)

1. We have demonstrated our ability to evaluate engagement risks and to *apply* the resulting risk assessments to our audit plan.

Risk assessments, including internal control, fraud, and inherent risk, involve input from many sources. We do not consider your audit to be routine, regardless of the number of years we have performed the engagement. We continually challenge our audit approach and the risks associated with the engagement.

High-level personnel, including partners and managers, are directly involved in the risk assessment process. These individuals personally interview all appropriate levels of management including finance personnel, budget personnel, administration, Audit Committee members, risk assessment personnel, and many others. The results of those interviews are incorporated into our audit plan and control testing. Weaknesses noted are added to our report on internal control. We take this part of the engagement very seriously and will modify our approach to the audit in whatever way our risk assessments indicate are necessary.

2. We are leaders in the industry and stay ahead of the changes in auditing, reporting, and legislative issues impacting our governmental clients.

Our personnel are visible leaders in the industry. We regularly speak at statewide and local events for organizations such as the Florida Institute of Certified Public Accountants (FICPA), the Florida Local Government Finance Officers Association, and the Association of Government Auditors.

We also assume leadership roles in those professional organizations and are involved in the legislative, accounting, and compliance issues impacting the governmental industry. This experience provides us with firsthand knowledge of potential issues impacting our clients and allows us plenty of time to develop appropriate and proactive strategies. Our proactive leadership will be important to you over the next several years as GASB continues to issue many new standards, even of which will become effective during this next contract period.

3. Our professionals have extensive experience in the governmental industry that is available to you, in person, during the audit and throughout the year.

We are dedicated to educating ourselves and our clients. Our professionals come from diverse backgrounds and bring unique skills to every engagement. If we lose a member of our engagement team due to attrition or other real life situations, we have many other qualified and experienced professionals ready to join the audit team.

We expect our clients to push us to a higher level of quality, just as we push them to improve and challenge their systems of control and accounting processes in order to produce accurate financial results.

4. Our professional and client relationships bring value to the engagement.

Our professional relationships with the Auditor General, the Florida Institute of Certified Public Accountants (FICPA), and the American Institute of Certified Public Accountants (AICPA) also bring value to the audit. Through these relationships we have resources to help us quickly resolve technical issues and resources to inform us of future trends likely to impact you.

Our Experience with Governmental Entities

The Firm has extensive experience performing financial and compliance audits for governmental entities. Our commitment to provide services to governmental agencies is demonstrated by our list of state and local government clients served in the past five years and the background of our personnel assigned to the engagement.

Government Clients Served

Agency for Workforce Innovation	Florida Department of Revenue
Alligator Point Water Resources District	Florida Department of Transportation
Brevard County Housing Authority	Florida Fish and Wildlife Conservation Commission
Canal Authority of the State of Florida	Florida Housing Finance Corporation
City of Quincy	Florida Local Government Finance Commission
City of Tallahassee	Florida Prepaid College Program
Cross Florida Canal Navigation District	Florida Surplus Lines Service Office
Duval County Housing Finance Authority	Florida Transportation Commission
First Florida Governmental Finance Commission	Gadsden County, Florida
Florida Association of Counties	Gulf County, Florida
Florida Association of Court Clerks	Housing Finance Authority of Clay County
Florida Birth-Related Neurological Injury Compensation Plan	Joint Legislative Auditing Committee
Florida Clerk of Courts Operations Conference	Lake County, Florida
Florida Commission for the Transportation Disadvantaged	Leon County Research & Development Authority
Florida Department of Business and Professional Regulation	Leon County School District
Florida Department of Corrections	Osceola County, Florida, Tax Collector
Florida Department of Environmental Protection	Spaceport Florida Authority
Florida Department of Health	Sunshine State Government Finance Commission
Florida Department of Insurance	Tallahassee/Leon County Civic Center Authority
Florida Department of Labor and Employment Security	The Auditor General
Florida Department of Legal Affairs	The Florida A&M University Athletic Department
Florida Department of Management Services	The Florida Legislature
	The Florida Lottery
	The Florida State University Athletic Department
	Wireless Emergency Telephone System Fund

Other Entities Served

Additionally, we have provided services to a wide range of clients including not-for-profit organizations and companies with construction, real estate, financial services, healthcare, manufacturing, insurance, retail, and professional services operations.

Our Industry Leadership

To be a leader in an industry requires more than just a working knowledge of accounting and reporting issues. It requires leadership within the industry itself. Both firms maintain direct communication with a number of government agencies including, but not limited to, the Auditor General, Department of Financial Services, Attorney General, Department of Community Affairs, Department of Environmental Protection, Department of Health, Department of Children and Families, and Department of Revenue. With the large number and variety of state and local governmental clients we serve, we are in constant communication with these agencies in order to stay abreast of current developments and interpretations of auditing requirements.

In addition, our professionals have developed essential working relationships with key leaders within the Florida Auditor General's Office, the government section of the FICPA, the Florida Government Finance Officers Association (FGFOA), and other organizations such as the Independent Government Auditors Association of Florida (IGAFA). Active leadership within these organizations allows us hands-on experience in dealing with significant issues as they develop and take a proactive role in planning for their effects.

Our involvement in professional organizations and our interaction with state agencies has created leadership opportunities that benefit our clients and our team. We have served on task forces for the auditor general regarding auditor selection, which the 2017 legislature considered again in its government accountability bills. We participate on legislative policy committees which puts us on the front-line for many legislative issues impacting local governments. We evaluate and respond to exposure drafts for accounting and auditing standards, which helps us better understand the background and purpose for those changes. At the management level, many of our professionals serve as speakers for government and non-government organizations. Topics range from cyber security to fraud risk to yellow-book updates. All of these activities make us better professionals and more valuable resources to our clients.

As new or changing standards, issues, guidelines, and regulations develop in the governmental sector, you can be assured that both firms are aware of the potential effects for PCLB. We will take every action to keep you aware of ongoing changes in governmental auditing standards.

Benefits Beyond the Audit

Having experience in governmental and major corporate audits, our engagement professionals are armed with the business, technical, and communication skills to avoid the common barriers and pitfalls to successful audit performance. These tools allow us to draw parallels that can be used to your advantage.

The proof of the quality of our work lies not just in what we have learned from the governments we serve or have served, but in the large number of governments who turn to us as new challenges arise. That is because our people use creativity and prudence in solving problems. When you come to us with a problem, we view it as our problem. We explore a variety of solutions. We analyze the issues, identify possible alternatives, define the risks and ramifications of each, and recommend a course of action that makes the most sense for you.

We do not stop at being good respondents either. A continual effort is made to frequently meet with all organizations whose pronouncements can affect you, your accounting, and your audit. We pride ourselves on bringing creative ideas to the table; ideas that will help our clients improve their operational efficiency and bottom line over time. We look for solutions that are technologically efficient and tailored to your needs.

We have researched and we understand government and quasi-governmental organizations - their unique operating features, their distinctive accounting requirements, and the sometimes fragile economic and very sensitive political environment within which they must operate. As our client, you can be assured of not only our competency, but also our concern for your success.

Some firms may stay uninvolved with tax-exempt securities, preferring to remain on the sidelines when clients issue debt. Our professionals, however, have served as active participants in this process, providing a diverse range of advisory, consulting, and auditing services. We certainly understand the tax-exempt debt market in Florida, having been involved with the issuance of more than \$3 billion in Florida tax-exempt bonds. We have performed compliance audits for various complex bond indentures, parity calculations, lien release certifications, and revenue forecasts. We have prepared financial statements for inclusion in official statements and participated in consultations with rating agencies.

Significant public sector engagements performed by the Firm during the past five years are as follows:

Organization: Florida Agency for Health Care Administration
Date: 2015-2017
Services Performed: Annual performance audits and management consulting services.
Engagement Firm: THF
Client Contact: Brian Meyer, Finance Administrator
(850) 412-4017

Organization: Osceola County Tax Collector
Date: 2012 through 2016
Services Performed: Annual audit of special purpose financial statements.
Engagement Firm: LRCM
Client Contact: Bruce Vickers, Tax Collector
(407) 742-4000

Organization: City of Tallahassee
Date: 2012 through 2016
Services Performed: Annual audit and single audit.
Engagement Firms: THF & LRCM
Client Contact: Patrick Twyman, Financial and Systems Analyst
(850) 891-8868

Organization: Leon County, Florida
Date: 1997-2017
Services Performed: Annual financial and compliance audit, single audit of state and local and federal grants.
Engagement Firms: THF & LRCM
Client Contact: Bob Inzer, Clerk of Circuit Court
(850) 577-4000

Engagement Team

We are extremely proud of the outstanding professionals we have assembled for this engagement. Our team brings many years of relevant governmental experience coupled with the technical skill, knowledge, authority, dedication and most of all, the commitment you need from your business advisors.

As a matter of policy, we do not rotate personnel on engagements. Once an assignment is made, we endeavor to maintain continuity of the audit team. Because of promotions, attrition, and other personal situations, responsibilities and personnel changes do occur. For example, a Senior Accountant assigned to the engagement this year may be promoted and become a manager on the engagement in the future. We will endeavor to maintain the audit team presented to you in this proposal intact through the term of our engagement. In the event a personnel change is necessary, you can be assured that an equally qualified and capable individual will be assigned to your engagement, subject to your approval. If requested, qualifications of replacement personnel will be furnished to you prior to beginning the audit.

The resumes of members of your engagement team are on the following pages.

Educational and Professional Development

In an age of rapid technological and environmental change and increasing specialization, the need for continuing education among business professionals is paramount. Our commitment to continuing education helps our professionals provide the highest quality service to our clients.

Both firms require each professional, including partners, to participate in a minimum of 80 hours of formal continuing education programs over a two-year period, which includes a minimum of 24 hours in subjects directly related to government auditing. Many of our professionals exceed these requirements. The consultants assigned to serve you also meet the continuing education requirements related to the government environment and governmental auditing or their particular areas of specialization as required by Florida Statutes and *Government Auditing Standards*.

Jeff Barbacci, CPA
Shareholder, Assurance Services, THF
Assurance Services Department Leader



Experience:

- ▲ Over 25 years of auditing and consulting experience.
- ▲ Majority of career devoted to specializing in not-for-profit and governmental industries.
- ▲ Additional industries include workers' compensation insurance, real estate management, condominium and time share associations, and small business.
- ▲ Excellent understanding of compliance and regulatory issues, fraud prevention, board and audit committee responsibilities, and cost allocation methodologies.
- ▲ Significant experience evaluating internal controls.

Professional Associations:

Member of the American Institute of Certified Public Accountants

- ▲ Governing Council
- ▲ Executive Committee, Government Audit Quality Center

Member of the Florida Institute of Certified Public Accountants

- ▲ 2014-15 Chairman, Board of Governors
- ▲ Nominations Committee
- ▲ Finance & Officers Advisory Committee
- ▲ State Legislative Policy Committee

Past Chair, EDC of Tallahassee/Leon County Not-for-Profit Task Force

State of Florida Auditor General Task Forces on Auditor Selection and GASB 34

Member, American Society of Association Executives

Member, Florida Society of Association Executives

Community Activities:

Past Board of Directors, Treasurer of the Board, Capital Area Healthy Start Coalition

Leadership Tallahassee, Class XVIII

Author:

Florida Institute of Certified Public Accountants' "Building Better Boards"

Awards & Honors:

2015 "Top 10 Public Accounting Professionals" in Florida, National Academy of Public Accounting Professionals

Education:

B.B.A. in Accounting, Stetson University.

Masters of Accounting, Stetson University.

AICPA Certificate of Achievement for Not-for-Profit and Governmental Auditing.

Dana Powell, CPA**Shareholder, Assurance Services, LRCM****Experience:**

- ▲ Over 18 years of experience in public accounting providing auditing and consulting services to government, nonprofit organizations and private sector industries.
- ▲ Significant experience with Government Auditing Standards including compliance monitoring and single audit testing.
- ▲ Responsibilities include client communications, engagement planning, internal control and fraud risk assessments, report preparation, issue resolution staff supervision, and review.

**Professional Associations:**

Member of the American Institute of Certified Public Accountants

Member of the Florida Institute of Certified Public Accountants

Member of the Florida Government Finance Officers Association-Big Bend Chapter

Education:

B.S. in Accounting and Finance, Florida State University.

Delia Finnerty, CPA
Manager, Assurance Services, LRCM



Experience:

- ▲ Over nine years of accounting and auditing experience.
- ▲ Primary responsibilities consist of engagement planning, fieldwork, supervision and review of staff auditors, report preparation and presentation of reports to management and board members.
- ▲ She has served a wide variety of industries to include government, not-for-profit and commercial.

Professional Associations:

Member, American Institute of Certified Public Accountants

Member, Florida Institute of Certified Public Accountants

- ▲ Young CPA Committee Member
- ▲ FSU Accounting Conference Committee Member
- ▲ Membership Committee Member
- ▲ Chair, Tallahassee Chapter

Education:

Master of Accounting, Florida State University.

Bachelor of Science in Accounting and Finance, Florida State University.

Kathy Kohlman

Staff, Assurance Services, LRCM

Experience:

- ▲ Approximately one year of accounting and auditing experience.
- ▲ Primary responsibilities consist of planning, evaluation and testing of internal controls, and field work on audit engagements and special assignments on governmental and not-for-profit entities.

Professional Associations:

Member, Florida Institute of Certified Public Accountants

Education:

B.S. in Accounting, Florida State University.



We look forward to continuing a relationship with you, one that is both professionally satisfying and makes sound business sense. A that is mutually satisfying must be grounded in a good value for you and a fair fee for us. We are confident that you will find that the value of a relationship with us will exceed the cost of the engagement fees many times over.

In developing our proposed fee for you, we considered many factors, including the time of year in which services are provided, and our desire to continue to serve and include you as one of our valued clients. We believe our proposed fee reflects these considerations. **If our fee estimate is not within your expectations, we would appreciate the opportunity to discuss the assumptions used in developing our fee in relation to your expectations.**

Our goal is to provide you with cost-effective services and valued-added benefits. Our fees will be based on hours worked by the various levels of personnel, at rates applicable to each, plus out-of-pocket expenses (if necessary) and administrative and technology fees which are billed at \$12 per hour. Our fees are billed monthly as incurred. We estimate the fees for services are as follows:

Services	2017
Annual Audit	\$ 21,100

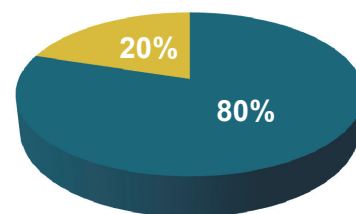
Our proposed fees are based on the following assumptions:

- ▲ The overall condition of your financial and accounting records is satisfactory and adjusting journal entries are minimal.
- ▲ No significant changes in operations.
- ▲ Audit fieldwork will be performed in the December/January timeframe.
- ▲ We will receive support from your accounting personnel necessary for the preparation of requested schedules and other supporting documentation before we commence fieldwork.
- ▲ Requests made for additional items during fieldwork will be turned around in 24 hours or less when possible.
- ▲ Cost allocation methodologies are supported by sufficient documentation.
- ▲ There will not be a need for substantial research of unforeseen technical issues or new accounting or audit pronouncements in order for us to complete our audit.

If there are changes in the scope of services or circumstances, we will discuss the issues with you before incurring additional time and fees. Because it is our philosophy that many time-consuming issues at year-end could be resolved or avoided by brief phone calls or questions throughout the year, we encourage our clients to call with questions regarding accounting or operational matters as they occur. **We will not bill you for standard inquiries or questions throughout the year.** If the answer to your question requires research or significant time by our professional staff, we will let you know up front.

What does it mean to be a member of an alliance or association?

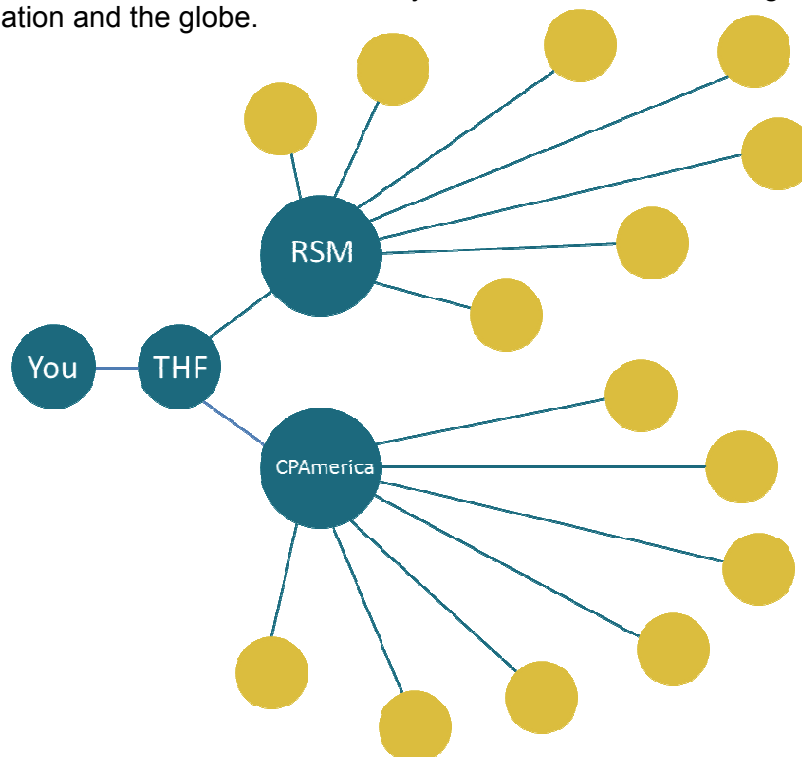
Joining an alliance or association creates an extended network of accounting firms around the nation and globe. While owned and operated independently, the member firms may use the same practices in their audit or tax methodology. Through this network, we have access to a variety of similarly sized firms, as well as a broad range of technical tools, expertise, and practice management resources.



Joining an alliance or association has enabled accounting firms all over the world to elevate their capabilities and become more successful. At least 80 of the top 100 accounting firms listed in a 2012 survey published in *Accounting Today* belong to an association of independent accounting firms. Although we do not fall in the top 100 accounting firms, this is still a practice that we believe in and have supported it by joining two national alliances.

How do these networks of alliance firms benefit you?

- We are able to share and gain critical information about your industry with other member firms, which creates a constant state of improvement for all firms involved. This also allows us to stay on top of issues that will be affecting your industry.
- Member firms receive educational opportunities from the alliance, association, or other member firms which allows us to have more knowledge about your industry and better adapt our approach to serving you. We can also use this information to educate and keep our clients up-to-date on trends in the not-for-profit industry.
- Member firms build supportive relationships allowing for complex questions and scenarios to be discussed for best practices which translates to a more efficient process used to serve you.
- Our alliance or association is merely an extension of THF, this allows you to be able to work locally with THF's professionals, who know and understand your business, while having the support and access to firms around the nation and the globe.



● = approximately 10 US-based member firms in our alliances through RSM US and CPAmerica

An independently owned member

RSM US Alliance



RSM US Alliance

THF has been a proud member of RSM US Alliance, formerly McGladrey Alliance, since 1999. RSM US Alliance is a premier affiliation of independent accounting and consulting firms in the United States, with more than 75 members in over 38 states, the Cayman Islands and Puerto Rico. This affiliation gives us access to a full range of national and international capabilities.

As a member of RSM US Alliance, THF has access to resources and services RSM US LLP provides its own clients. RSM US LLP is the leading provider of audit, tax and consulting services focused on the middle market, with more than 9,000 people in 86 offices nationwide. RSM US LLP is a licensed CPA firm and the U.S. member of RSM International, a global network of independent audit, tax and consulting firms with more than 38,000 people in over 120 countries.

We accepted an invitation to become a member of RSM US Alliance because it is a natural fit with our commitment to our clients and our determination to stay at the forefront of developments affecting accounting and consulting firms today. Visit rsmus.com/alliance to learn more about our membership.

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International. Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International. RSM, the RSM logo and RSM US ALLIANCE are trademarks of RSM International Association or RSM US. The services and products provided by RSM US Alliance are proprietary to RSM US LLP.



CPAmerica International

THF is an independently owned and operated member firm of CPAmerica International, one of the largest associations of CPA firms in the United States. Through our affiliation, we have instant access to the expertise and resources of more than 3,900 professionals across America.

THF offers clients unique access to national and international markets through our membership in CPAmerica, an association of independent accounting firms that maintain the highest practice standards.

CPAmerica is a member of Crowe Horwath International, providing our firm access to more than 200 independent accounting and advisory services firms in more than 120 countries worldwide.

As a client of our firm, you truly receive the best of both worlds: the personal attention and sincere concern of a local firm and the knowledge and resources of an international association.

Crowe Horwath International

THF serves the international needs of clients internally and through CPAmerica's membership in Crowe Horwath International.

Crowe Horwath International is ranked among the top 10 global accounting networks, with more than 200 independent accounting and advisory services firms in more than 120 countries around the world.

Each Crowe Horwath International firm is an established leader in its business community and is staffed by professionals with in-depth knowledge of local laws and customs important to clients undertaking new ventures or expanding into their respective countries.