



Certified Public Accountants

August 11, 2020

Pinellas County Licensing Board

Thomas Howell Ferguson P.A. CPAs, the primary contractor, and Law, Redd, Crona & Munroe, P.A., the subcontractor, (collectively, the Firm) are extremely pleased to submit our proposal to conduct the annual audit for the Pinellas County Licensing Board (PCLB). PCLB is a valued client, and you can be assured that the engagement will continue to command immediate attention and priority service from the Firm.

Our Firm is committed to quality and to our profession. We are a member of the American Institute of Certified Public Accountants (AICPA) Government Audit Quality Center (GAQC), a resource developed for government auditors to stay ahead of industry trends, audit risk, and regulatory compliance requirements. One of our engagement shareholders also serves on the GAQC Executive Committee. Membership in this committee requires enhanced educational and quality control programs that directly benefit our clients. In addition to the GAQC, our professionals are involved in various leadership roles with the Florida Institute of Certified Public Accountants (FICPA) and the AICPA that keep us in front of industry trends likely to impact our profession and our clients. We also serve as speakers for numerous government organizations such as the Florida Government Finance Officers Association, the Institute of Internal Auditors, and the Association for Government Accountants. Serving as speakers helps us stay current on changes to government accounting and auditing standards, internal control trends, information technology risks, and other issues that impact our government clients.

The size of our Firm and our depth of resources allows us to serve numerous significantly sized clients simultaneously without sacrificing responsive and specialized services. As identified in our proposal, we currently provide audit services to a variety of governments entities, as well as numerous large not-for-profit and quasi-governmental entities. Those engagements range from several hundred to several thousand hours annually and involve the evaluation of complex internal control systems, the issuance of financial statements in accordance with Government Auditing Standards, and compliance with Uniform Grant Guidance. Our combined governmental services team brings significant experience to PCLB and has the depth of resources to devote **a specialized team of professionals** to its audit.

In addition to our government and not-for-profit practice, THF is one of only six CPA firms authorized to provide financial and performance audits and the only one headquartered in the state of Florida, as well as one of 11 CPA/consulting firms authorized to provide management consulting services to Florida's state agencies under the state term contract.

Through our tenure serving as the PCLB's auditors, we have developed a team of professionals that are very knowledgeable of the operations, control systems, IT functions, and compliance requirements of the your organization. As our team has gained experience and tenure they have been promoted to new levels of responsibility and assigned to new roles on the engagement. This rotation of the team responsibilities has effectively brought a fresh look to the audit approach and to the related risk assessments on a regular basis. The depth of our team, our extensive experience with government entities, our intricate knowledge of PCLB, and our leadership in the profession makes us the most qualified Firm to serve you.

This assignment requires technical expertise and seasoned experience on the part of those who serve you. We have both. More importantly, we have the resources, energy, ingenuity, creativity, and most of all, *the commitment* to accomplish the engagement objectives in the timeframe set forth in your SOW.

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Pinellas County Licensing Board

August 11, 2020
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We thank you for considering our firm, and we look forward to a continued relationship with you. We trust you will find our responses to be complete; however, should you have any questions regarding this proposal or desire any supplemental information, please call Jeff Barbacci, as the authorized representative of the Firm at (850) 668-8100 or by email at barbacci@thf-cpa.com. In the event that there are public requests to view our proposal, we would appreciate the opportunity to submit a redacted version. This proposal is a firm and irrevocable offer.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Barbacci".

Jeff Barbacci, CPA
Shareholder, Assurance Services

Proposal to Provide Audit Services to
Pinellas County License Board

August 11, 2020



CONTACT:

Jeff Barbacci

Shareholder, Assurance Services

barbacci@thf-cpa.com

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. CPAs (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 140 professionals and support staff to serve you. 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, 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 Global, providing our firm access to more than 200 independent accounting and advisory services firms in more than 130 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. LRCM 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.

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 7. 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 and LRCM are members 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, including governmental audits, was completed **on November 1, 2019, with a peer review rating of pass**. LRCM's most recent peer review, including governmental audits, was completed on September 1, 2017 with a peer review rating of pass. They are in the process of undergoing their 2020 peer review now. **This rating is the most favorable possible outcome for the peer review**. We pride ourselves on ensuring quality standards in all of our work. Copies of these peer reviews are on the following pages. Our firms also conduct an intensive internal quality control review of a sample of our engagements each year.

We recognize the importance of the peer review and work hard to keep our pass rating which has been in place for us since day one. This serves as our industry report card for the standards upheld by our profession and should serve as an important point to consider for the audit committee. We pride ourselves on ensuring quality standards in all of our work. Copies of the external peer reviews can be found on the following pages.

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.



Gregory, Sharer & Stuart, P.A.

Certified Public Accountants and Business Consultants

Report on the Firm's System of Quality Control

November 1, 2019

To the Shareholders of Thomas Howell Ferguson, 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 Thomas Howell Ferguson, P.A. (the firm) in effect for the year ended May 31, 2019. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

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. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

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.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* including a compliance audit under the Single Audit Act; audits of employee benefit plans, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Thomas Howell Ferguson, P.A. in effect for the year ended May 31, 2019 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*.

Gregory, Sharer & Stuart, P.A.

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Gregory, Sharer & Stuart, P.A.
Certified Public Accountants and Business Consultants

Report on the Firm's System of Quality Control

September 1, 2017

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, 2017. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

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. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

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.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* including a compliance audit under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

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Opinion

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, 2017, 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*.

Gregory, Sharer & Stuart, P.A.

Gregory, Sharer & Stuart, P.A.



We are committed to supporting the community where we have our offices and where our employees and clients live. In 2019, our Firm had over 2,000 volunteer hours. Below are some of the organizations we are involved in and support in our communities.

- ▲ Access Tallahassee
- ▲ American Heart Association
- ▲ Boy Scouts
- ▲ Boys and Girls Club of America
- ▲ Boys Town
- ▲ Capital Tiger Bay Club
- ▲ Community Leadership Academy
- ▲ Corporate Cup Challenge
- ▲ ECHO
- ▲ Emerging Leaders of Tampa Bay
 - ▲ Community Outreach Committee
 - ▲ Not-For-Profit Fair Planning 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
 - ▲ Provided backpacks for students
- ▲ Kids Inc. of the Big Bend
- ▲ Leadership Tallahassee
- ▲ LeMoyne Art Gallery
- ▲ Leon County Schools
- ▲ Refugee House
- ▲ Ronald McDonald House
- ▲ Rotary Club of Tallahassee
- ▲ St. Peters Anglican Church
- ▲ Tallahassee Chamber of Commerce
- ▲ Tallahassee Memorial Healthcare Foundation
- ▲ Tallahassee Museum Board of Trustees
- ▲ Tallahassee Northside Rotary Club
- ▲ Tallahassee Regional Estate Planning Council
- ▲ Tallahassee Rotary Club
- ▲ The Foundation for Leon County Schools
- ▲ The Kearney Center
- ▲ Thomasville Road Baptist Church
 - ▲ Stewardship Committee
- ▲ Tiger Bay Club
- ▲ United Way of the Big Bend
- ▲ Unity of Tallahassee

Current Board Participation
America’s Second Harvest of the Big Bend, Audit Chairman
Big Brothers Big Sisters, Treasurer
Community Foundation of North Florida, Treasurer
Guardian ad Litem Foundation Second Circuit, Inc., Treasurer
Joanna Francis Living Well Foundation, Treasurer
Leadership Tallahassee
Lee’s Place
Tallahassee Ballet, Treasurer
Tallahassee Chamber of Commerce, Treasurer
Tallahassee Memorial Healthcare
Tallahassee Symphony Orchestra, Director & Secretary
The Downs Syndrome Association of Tallahassee, Treasurer
Thomasville Road Baptist Church, Stewardship Committee
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 the Pinellas County Licensing Board (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 organization and our firms 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 and the background of our personnel assigned to the engagement.

Government Clients Served

Agency for Workforce Innovation	Florida Department of Management Services
Alligator Point Water Resources District	Florida Department of Revenue
Brevard County Housing Authority	Florida Department of Transportation
Canal Authority of the State of Florida	Florida Division of Emergency Management
City of Miami, Florida	Florida Fish and Wildlife Conservation Commission
City of Quincy	Florida Housing Finance Corporation
City of Tallahassee	Florida Local Government Finance Commission
Cross Florida Canal Navigation District	Florida Prepaid College Program
Duval County Housing Finance Authority	Florida Surplus Lines Service Office
First Florida Governmental Finance Commission	Florida Transportation Commission
Florida Association of Counties	Gadsden County, Florida
Florida Association of Court Clerks	Gulf County, Florida
Florida Birth-Related Neurological Injury Compensation Plan	Housing Finance Authority of Clay County
Florida Clerk of Courts Operations Conference	Joint Legislative Auditing Committee
Florida Commission for the Transportation Disadvantaged	Lake County, Florida
Florida Department of Business and Professional Regulation	Leon County Research & Development Authority
Florida Department of Corrections	Leon County School District
Florida Department of Economic Opportunity	Office of Program Policy Analysis and Government Accountability
Florida Department of Education	Osceola County, Florida, Tax Collector
Florida Department of Environmental Protection	Spaceport Florida Authority
Florida Department of Financial Services	Sunshine State Government Finance Commission
Florida Department of Health	Tallahassee/Leon County Civic Center Authority
Florida Department of Insurance	The Auditor General
Florida Department of Juvenile Justice	The Florida A&M University Athletic Department
Florida Department of Labor and Employment Security	The Florida Bar (an arm of the Supreme Court)
Florida Department of Law Enforcement	The Florida Legislature
Florida Department of Legal Affairs	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 (IGAAF). 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 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 - Present
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 - Present
Services Performed: Annual audit of special-purpose financial statements.
Engagement Firm: LRCM
Client Contact: Bruce Vickers, Tax Collector
(407) 742-4000

Organization: Florida Developmental Disabilities Council, Inc.
Date: 2011 - Present
Services Performed: Annual financial audit and single audit of federal and state grants
Engagement Firms: LRCM
Client Contact: Lisa Taylor, Chief Financial Officer
(850) 488-4180

Organization: Leon County, Florida
Date: 1997 - Present
Services Performed: Annual financial and compliance audit, single audit of state and local and federal grants.
Engagement Firms: THF & LRCM
Client Contact: Ken Kent, Interim Finance Director, 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. 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
Managing Shareholder, THF



Experience:

- ▲ Since 1995, Jeff has been providing auditing and consulting services.
- ▲ 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

- ▲ Past Chairman, Board of Governors
- ▲ Management of an Accounting Practice Committee
- ▲ Nominations Committee
- ▲ Finance & Officers Advisory Committee
- ▲ State Legislative Policy Committee
- ▲ State & Local Government 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

Endowment Committee Chair, Suwannee River Area Council

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
Partner, Assurance Services, LRCM



Experience:

- ▲ Dana has over twenty years of experience in public accounting providing auditing and consulting services to government, not-for-profit and commercial entities.
- ▲ She has significant experience with Government Auditing Standards including compliance monitoring and single audit testing and reporting.
- ▲ Her primary responsibilities include client communication, engagement planning, internal control and fraud risk assessment, report preparation, issue resolution and staff supervision and review.

Professional Associations:

Member of the American Institute of Certified Public Accountants

Member of the Florida Institute of Certified Public Accountants

- ▲ Women in Leadership Committee

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:

- ▲ Delia has over twelve years of accounting and auditing experience.
- ▲ Her 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.

Taylor Harmon, CPA
 Manager, Assurance Services, THF



Experience:

- ▲ Since 2013, Taylor has been providing assurance services.
- ▲ Experienced in tax preparation for corporations, partnerships, individuals, and not-for-profits.
- ▲ Responsibilities include audit procedures for government, not-for-profits, commercial industries (engineering, construction, oil, etc.), and 401K plans.
- ▲ Experienced in GAGAS including single audit standards for Governments and not-for-profits.
- ▲ Experienced in state compliance related to Medicaid.
- ▲ Experienced in planning for and executing single audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Uniform Guidance, Audits of States, Local Governments, and non-Profit Organizations.
- ▲ Experienced in planning for and executing single audits under Florida Single Audit Act, Florida Statute 215.97.
- ▲ Led a team segment for forensic accounting procedures to investigate improper and fraudulent invoicing to state agencies by non-state entities for grant and single audit related expenditures.
- ▲ Team leader for compliance monitoring procedures for state agencies.
- ▲ Experience identifying areas of noncompliance with Florida State Statutes and Florida Administrative Code. Formally communicated such areas of non-compliance. Recommended actions that would result in resolution.
- ▲ Experience identifying areas where there were possibilities for improvement and formally communicated such areas.

Professional Associations:

Member of the American Institute of Certified Public Accountants

Member of the Florida Institute of Certified Public Accountants

- ▲ Member, Second Emerging Leaders' Class
- ▲ Member, FSU Accounting Conference Committee
- ▲ Member, Not-For-Profit Conference Committee
- ▲ Past Member, Young CPAs Committee
- ▲ Past Member, Accounting Careers Committee

Member, Florida Society of Association Executives

- ▲ Member, Young Professional Taskforce

Member, Economic Club of Florida

Member, Tallahassee Young Professional Network

Member, Access Tallahassee

Community Activities:

Former Loaned Executive, United Way of the Big Bend

Education:

B.S. in Accounting, Florida State University.

B.S. in Finance, Florida Sate University.

Kathy Kohlman
Senior, Assurance Services, LRCM



Experience:

- ▲ Has over three years of accounting and auditing experience.
- ▲ Her primary responsibilities consist of planning, evaluation and testing of internal controls, and field work on audit engagements and special assignments on governmental, not-for-profit and commercial 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 relationship 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	2020
Annual Audit	\$ 21,000

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 October/November 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.
- ▲ Audit work and the Board meeting presentation can be performed remotely.

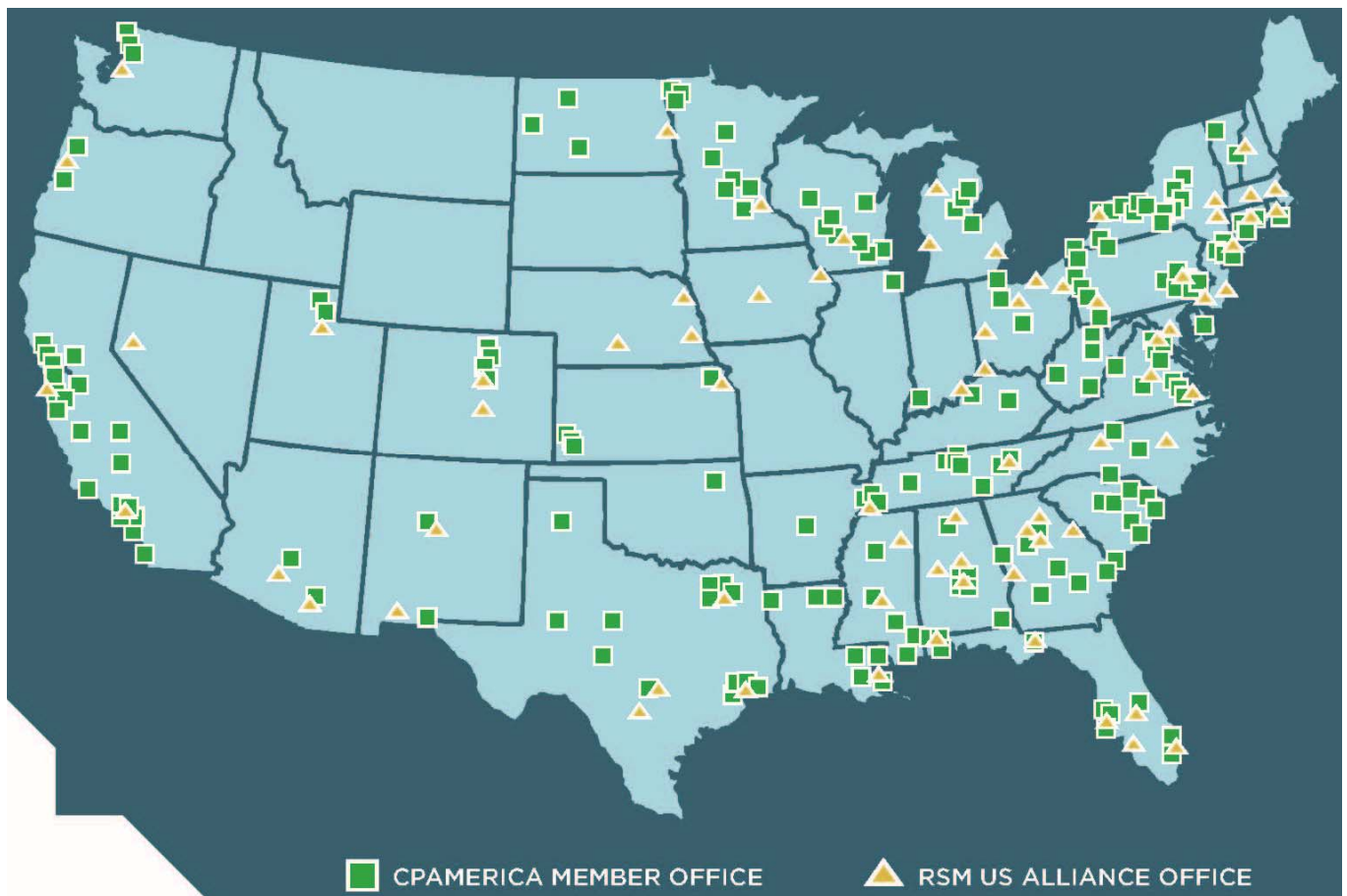
If there are changes in the scope of services or circumstances, we will discuss the issues with you before incurring additional time and fees. Because it is our philosophy that many time-consuming issues at year-end could be resolved or avoided by brief phone calls or questions throughout the year, we 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.

We are members of the RSM US Alliance and CPAmerica. 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 world.
- ▶ 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 government 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.





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

Member  Crowe Global

CPAmerica

THF is an independently owned and operated member firm of CPAmerica, 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.

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 Global

THF serves the international needs of clients through CPAmerica's membership in Crowe Global.

Ranked as the eighth largest accounting network in the world, Crowe Global is a leader with over 200 independent accounting and advisory firms in more than 130 countries. Crowe's leaders work with governments, regulatory bodies, and industry groups to shape the future of the profession worldwide. Their exceptional knowledge of business, local laws, and customs provide lasting value to clients undertaking international projects.