

RFP #2021-03  
PROPOSAL TO PROVIDE  
**AUDIT SERVICES FOR**  
THE TOWN OF WINDERMERE



121 Executive Circle  
Daytona Beach, FL 32114  
386-257-4100  
[www.jmco.com](http://www.jmco.com)

Proposal To Provide Audit Services To

# The Town of Windermere, Florida

For the fiscal years ending September 30, 2021, 2022, and 2023



**Legal Name: James Moore & Co., P.L.**

**James Moore & Co., P.L.**  
**FEIN 59-3204548**  
121 Executive Circle  
Daytona Beach, FL 32114-1180  
Phone: 386-257-4100  
Fax: 386-252-0209  
*www.jmco.com*

**Contacts:**

**James Halleran, CPA | Lead Partner**  
James.Halleran@jmco.com

**July 16, 2021**

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# Letter of Interest

July 16, 2021

Robert Smith, Town Manager  
Town of Windermere  
614 Main Street  
Windermere, FL 34786



Dear Mr. Smith and Members of the Selection Committee:

The opportunity to submit our proposal to provide audit services for the Town of Windermere (the Town) for the fiscal years ending September 30, 2021 through September 30, 2023 is a privilege and appreciated.

As a regional Florida firm that appreciates all our area has to offer, we have a vested interest in providing the highest level of service to the Town. As such, in this proposal we would like highlight what makes us the best firm to perform your audit.

## Extensive Governmental Experience

Over the years we have served more than 100 local governments throughout the state of Florida, and **our firm has established a Government Services Team comprised of individuals who work almost exclusively on these engagements.** These team members are entrenched in the government industry, both in the services we provide to governmental entities throughout Florida and because of our industry associations. The team also regularly undergoes formal training and skill development focused on the needs of local governments. Our understanding of the requirements and operations of government entities means the highest quality of service for you.

**James Halleran, CPA, your Lead Engagement Partner,** has more than 25 years of experience providing audit and consulting services to government organizations throughout the state of Florida. James is known statewide as a distinguished government accountant and consultant and serves as a CAFR reviewer for the Government Finance Officers Association (GFOA). James also sits on the Technical Resource Committee for the Florida Government Finance Officers Association (FGFOA). He is an active committee member with the Florida Institute of CPAs (FICPA) and served on the FICPA Steering Committee of the State & Local Government Section for a number of years. As a result of this experience, he is frequently asked to present on topics specific to internal controls and accounting standards to industry-specific groups throughout Florida.

**Zach Chalifour, CPA, your Quality Control Review Partner,** is the leader of the firm's Government Services Team. He has nearly 15 years of experience serving government entities and is a CAFR reviewer for the Government Finance Officers Association (GFOA). Zach is a member of the Florida Government Finance Officers Association (FGFOA) Conference Program committee and is also a frequent speaker for the FGFOA and Florida Institute of CPAs (FICPA).

## The Importance of Information Technology and Your Audit

Technology's rapidly changing landscape directly impacts the audit environment and the manner in which your financial and proprietary information is stored. James Moore maintains a Technology Solutions Consulting department with professionals proficient in technology-related audit standards, risk assessment, and data extraction.

Because of the importance of IT and your audit, **we have included a Certified Information Systems Auditor (CISA), Brendan McKitrick, on your engagement team to conduct a thorough IT assessment.** Brendan is highly skilled in IT-related audit services, risk assessments, application controls and data extraction, among other areas. We're sure you'll find him to be a valued member of your audit team.

## Transitioning to a New Perspective

For over 50 years, James Moore has successfully handled audit transitions on government engagements. This experience has allowed us to fine tune our transition approach, which will result in minimal disruption to your personnel and operations and a fresh look at your financial picture.



## Letter of Interest

We enter each new engagement with the understanding that no two governmental organizations are the same—nor do they have the same financial process. A smooth transition is best accomplished when we understand the specific needs of our client. We'll take time to learn about your goals, the issues that cause frustration, and the key elements of your financial processes. We will use this information to create a framework that integrates with our audit process and allows us to seamlessly transition into the new role as your auditor.

### Commitment to the Town of Windermere

As seasoned auditors of governmental entities, we know management and elected officials expect the truth but hate surprises. That's why, in addition to the exit conference with management, we offer and encourage your governing board members to meet with our engagement team to answer your questions and address your concerns.

Outside of the engagement, we will maintain communication throughout the year, keeping appropriate personnel informed about reporting changes affecting them. We also encourage you to call us with questions regarding the engagement or your day-to-day activities; James Moore is committed to serving you in a timely and responsive manner. Additionally, we provide our government clients with free CPE credit throughout the year via webinars or in-person training.

What our proposal cannot convey is our sincere desire to work with the Town of Windermere. Our philosophy is simply stated—we believe our efforts should contribute to your success each year. We are confident that our services and support will exceed your expectations and prove to be the best value for you.

Sincerely,



James Halleran, CPA  
Partner

*"Changing auditors can be a very stressful time filled with trepidation. The City of DeLand changed auditors after an extremely long period of time with virtually the same audit firm, and the transition to the firm, James Moore, was very smooth. The staff was extremely knowledgeable and flexible. They were eager and willing to work towards mutually agreeable solutions to all of their concerns. James Moore staff did a great job of communicating with the City, keeping the staff up to date with progress and any concerns. Most importantly, their constant communication ensured there were no surprises at the end. James Moore managed the transition very well and helped ease the City staff into the new roles which certainly helped minimize any possible issues. Overall, the process went far more smoothly than anticipated and exceeded all expectations."*

Kevin Lewis, CPA  
Finance Director  
City of DeLand



# Required Forms



# Required Forms

## PROPOSAL COVER FORM

### RFP #2021-03 AUDIT SERVICES

**RESPONSE TO:** RFP 2021-03 AUDIT SERVICES  
 ROBERT SMITH, TOWN MANAGER  
 614 MAIN ST. WINDERMERE, FL 34786

I acknowledge receipt of any/all Addenda: James Halleran, CPA, Partner

I have included:

- Hold Harmless Agreement
- Certificate of Insurance
- Non Collusion Affidavit
- Drug Free Workplace Form

Mailing Address:

James Moore & Co., P.L. TELEPHONE 386-257-4100  
121 Executive Circle FAX: 386-252-0209  
Daytona Beach, Florida 32114 DATE 7/6/2021

BY signing and submitting this proposal, I am certifying that (a) I am a citizen of the United States; (b) I am not a member or an employee of any taxing authority; and (c) I do not represent any property owner in an administrative or judicial review of property tax issues.

James Halleran  
 Signature of Respondent

[Signature]  
 Witness

STATE OF FLORIDA  
 COUNTY OF Volusia

Sworn to (or affirmed) and subscribed before me this 6<sup>th</sup> day of July, 2021, by (name of person making statement).

Jennifer Webster  
 Notary Public



Personally Known  OR Produced Identification   
 Type of Identification Produced \_\_\_\_\_

My Commission Expires 10/18/2022



# Required Forms

## HOLD HARMLESS AGREEMENT

### RFP #2021-03 AUDIT SERVICES

### HOLD HARMLESS AGREEMENT

I James Halleran, CPA, Partner (Respondent) agrees to indemnify and hold the Town harmless for any and all claims, liability, losses and causes of action which may arise out of its fulfillment of the contract awarded pursuant to this RFQ. It agrees to pay all claims and losses, including related court costs and reasonable attorneys' fees, and shall defend all suits filed due to the negligent acts, error or omissions of Respondent or employees and/or agents of Respondent.

In the event the completion of a project awarded pursuant to this RFP (to include the work of others) is delayed or suspended as a result of the Respondent's failure to purchase or maintain the required insurance, the Respondent shall indemnify the Town from any and all increased expenses resulting from such delay.

James Halleran  
Signature of Respondent

[Signature]  
Witness

STATE OF FLORIDA  
COUNTY OF Volusia

Sworn to (or affirmed) and subscribed before me this 6<sup>th</sup> day of July, 2021, by (name of person making statement).

Jennifer Webster  
Notary Public



Personally Known  OR Produced Identification   
Type of Identification Produced \_\_\_\_\_

My Commission Expires 10/18/2022



# Required Forms

## NON-COLLUSION AFFIDAVIT

### RFP #2021-03 AUDIT SERVICES

### NON-COLLUSION AFFIDAVIT

I James Halleran, CPA, Partner (Respondent) of the firm of James Moore & Co., P.L. (Respondent Firm Name) responded to the notice for calling for qualification for Auditing Services for the Town of Windermere. This proposal has been executed with full authority to do so. This response has been arrived at independently without collusion, consultation, communication or agreement for the purposes of restricting competition, as to any matter relating to qualifications or responses of any other responder or with any competitor, and no attempt has been made or will be made by the Responder to induce any other person, partnership or corporation to submit, or not to submit, a response for the purpose of restricting competition;

The Statements contained within this affidavit are true and correct, and made with full knowledge that the Town of Windermere relies upon the truth of the statements contained in this affidavit in awarding contracts for said services.

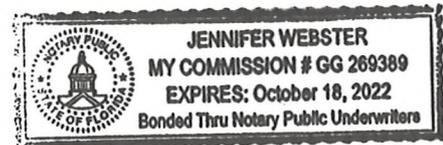
James Halleran  
Signature of Respondent

[Signature]  
Witness

STATE OF FLORIDA  
COUNTY OF Volusia

Sworn to (or affirmed) and subscribed before me this 6<sup>th</sup> day of July, 2021, by (name of person making statement).

Jennifer Webster  
Notary Public



Personally Known  OR Produced Identification   
Type of Identification Produced \_\_\_\_\_

My Commission Expires 10/18/2022



# Required Forms

## DRUG-FREE WORKPLACE CERTIFICATION

### RFP #2021-03 AUDIT SERVICES

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#### DRUG FREE WORKPLACE CERTIFICATION

In order to have a drug-free workplace program, a business shall:

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

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

  
 \_\_\_\_\_  
 Signature of Respondent

  
 \_\_\_\_\_  
 Witness

# Required Forms

## INSURANCE REQUIREMENTS

James Moore maintains insurance coverage for workers' compensation, general commercial liability, and professional liability. Listed below are the descriptions of insurance coverage maintained by James Moore. Copies of the declaration pages from current policies can be found on the following pages.

### **James Moore Workers' Compensation Insurance:**

Producer - McGriff-Williams

Policy Date is from 10/31/2020 through 10/31/2021

Coverage amounts:

Bodily Injury by Accident: \$500,000 each accident  
Bodily Injury by Disease: \$500,000 each employee  
Bodily Injury by Disease: \$500,000 policy limit

### **James Moore General Commercial Liability Insurance:**

Producer - McGriff-Williams Insurance

Policy Date is from 10/31/2020 through 10/31/2021

Coverage amounts:

Each Occurrence: \$1,000,000  
Aggregate: \$2,000,000

NOTE: This policy also includes Automobile Liability

Combined Single Limit: \$1,000,000

NOTE: This policy also includes Excess/Umbrella Liability:

Each Occurrence: \$4,000,000  
Aggregate \$4,000,000

### **James Moore Professional Liability Insurance:**

Producer - M.P. Caplice Insurance Group, LLC

Policy Date is from 7/5/2021 through 7/5/2022

Coverage amounts:

Each Occurrence: \$5,000,000  
Annual Aggregate: \$5,000,000

### **James Moore Automobile Liability Insurance:**

Producer - McGriff-Williams Insurance

Policy Date is from 10/31/2020 through 10/31/2021

Coverage amounts:

Each Occurrence: \$1,000,000







# Firm Background

# Firm Background

## FIRM PROFILE

### OFFICES

James Moore has grown from a sole proprietorship to a regional accounting firm with offices in:

- Daytona Beach
- DeLand
- Gainesville
- Tallahassee

### JAMES MOORE & CO., P.L.

- Licensed as a certified public accounting firm
- Limited liability company
- Founded in 1964
- For more than 50 years, our firm's primary focus has been on serving the needs of clients and helping them achieve their goals.

### OUR PEOPLE

- Our primary asset
- Focused on creating exceptional career opportunities for our people
- Employs top professionals with diverse accounting, financial and personal experience
- Recruits from local universities and hires individuals in the top 25 percent of their graduating class
- An equal employment opportunity company with a culturally and ethnically diverse workforce

*We believe successful engagements embrace close coordination, carefully-defined responsibilities, open lines of communication, and constant quality control.*

We operate as one firm and not as separate and distinct offices with segregated duties. By assigning engagement staff based on specialized industry teams and not geographic location, our staff collaborates on everything they do regardless of their assigned office location. We understand that utilizing the right technology improves business processes and increases efficiency and collaboration.

Your engagement will be performed out of our Daytona Beach office, located at 121 Executive Circle, Daytona Beach, FL 32114. A breakdown of the number of employees by position in our offices is included below.

JAMES MOORE & CO., P.L.					
	FIRMWIDE	DAYTONA BEACH	DELAND	GAINESVILLE	TALLAHASSEE
Members (Partners)	19	4	1	12	2
Managers & Directors	41	7	2	28	4
Accounting Staff	85	26	3	39	17
Accounting & Controllership Staff	28	3	3	17	5
Technology Solutions Consulting Staff	11	3	0	7	1
Administrative Staff	28	5	3	18	2
<b>TOTAL</b>	<b>212</b>	<b>48</b>	<b>12</b>	<b>121</b>	<b>31</b>
<i>Governmental Audit Staff</i>	<b>58</b>	<b>21</b>	<b>1</b>	<b>25</b>	<b>11</b>
<i>CPAs</i>	<b>74</b>	<b>21</b>	<b>1</b>	<b>42</b>	<b>10</b>

# Firm Background

## AFFILIATIONS & AWARDS



- Named by *Forbes Magazine* as one of America's Top Recommended Tax & Accounting Firms
- *Accounting Today* named James Moore the #1 Best Firm for Women in 2020 and a Best Accounting Firm to Work For multiple times since 2015.
- Recognized as a Best Firm for Equity Leadership by the *Accounting MOVE Project*, with 57% women partners in our firm.
- *Florida Trend* has ranked James Moore as one of the Top 25 Accounting Firms in Florida since 2014.
- *INSIDE Public Accounting* recognized James Moore as a Top 200 Firm since 2010 (ten years running!).

Choosing James Moore as your accountant provides you with the close, personalized attention of a regional firm, backed by the additional resources, affiliations, and memberships of a larger international team.

### Statewide Affiliation

James Moore is a member of the **Florida Institute of Certified Public Accountants (FICPA)**, as well as various other trade associations related to the industries we serve.

### National & International Affiliations

Our firm is a member of the **American Institute of Certified Public Accountants (AICPA)**. In addition, James Moore is a member of **AGN International**, an association of independent accounting firms represented in more than 82 nations around the world, complementing our ability to serve our clients. This affiliation provides access to a wide array of resources, management tools, educational opportunities, and professional experience. Our connection with AGN International enhances our ability to support and better serve our clients through a continuous exchange of information and resources.

### AICPA Not-for-Profit Section

Because of our dedication to serving not-for-profit organizations, our firm is a member of the **American Institute of Certified Public Accountants (AICPA) Not-for-Profit Section**. Membership provides support and resources for Not-for-Profit professionals and business advisors.

### AICPA Government Audit Quality Center

Our firm is also a member of the **AICPA Government Audit Quality Center**. Membership provides us with training and resources for the performance of GAO Yellow Book audits, including single audits of governments and not-for-profits; audits performed under the HUD Audit Guide and various Education Guides, and numerous other grant and assistance program audits.



# Firm Background

## STATEMENT OF INDEPENDENCE / LICENSE TO PRACTICE IN FLORIDA

James Moore adheres to all independence rules and interpretations of the AICPA, the State of Florida and the U.S. General Accounting Office's (GAO) *Government Auditing Standards*. Professional and personal relationships with clients that could raise any doubt as to the appearance of independence are constantly re-examined.

The firm and the employees to be assigned to your engagement are independent with respect to the Town of Windermere, as defined by generally accepted auditing standards in the United States of America and *Government Auditing Standards* as promulgated by the GAO. We agree to notify you of any professional relationships entered into during the period of this engagement that could affect our independence.

All engagement professionals meet or exceed the 24-hour government CPE requirement of the Government Auditing Standards issued by the Comptroller General of the United States.

James Moore operates as a Florida Limited Liability Company. Following is a copy of our State of Florida Board of Accountancy Business License, which applies to each of the firm's offices. In addition, each individual assigned to your engagement is properly licensed to practice in the state of Florida. **James Moore has provided continuous auditing services for government organizations for more than 55 years.**

The image shows a license document from the Florida Department of Business and Professional Regulation (DBPR). It features the state seal of Florida in the top left corner, the signatures of Governor Ron DeSantis and Secretary Halsey Beshears, and the DBPR logo. The license is issued to James Moore & Co., P.L., located at 5931 NW 1st Place, Gainesville, FL 32607-2063. The license number is AD0015868, and it expires on December 31, 2021. A QR code is provided for verification. The document includes a warning not to alter the document and a statement that it is the licensee's license.

Ron DeSantis, Governor

Halsey Beshears, Secretary

Florida  
dbpr

**STATE OF FLORIDA**  
**DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**  
**BOARD OF ACCOUNTANCY**

THE ACCOUNTANCY CORPORATION HEREIN IS LICENSED UNDER THE  
PROVISIONS OF CHAPTER 473, FLORIDA STATUTES

**JAMES MOORE & CO., P.L.**  
5931 NW 1ST PLACE  
GAINESVILLE FL 32607-2063

**LICENSE NUMBER: AD0015868**  
**EXPIRATION DATE: DECEMBER 31, 2021**

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

# Firm Background

## ASSURANCE OF QUALITY CONTROL

### Quality Control

The firm has written procedures that address quality control with regard to independence, integrity, and objectivity; personnel management practices of hiring; assignment of personnel; professional development and advancement; acceptance and continuance of clients and engagements; engagement performance; and monitoring.

These procedures define the process to provide the firm with assurance that its personnel comply with applicable professional standards and the firm's standards of quality. It is our policy to follow the guidelines of the AICPA, Financial Accounting Standards Board (FASB), Governmental Accounting Standards Board (GASB), and the Government Finance Officers' Association (GFOA).

### Peer Review

James Moore is a member of the Center for Audit Quality of the AICPA, and participates in the AICPA Peer Review Program triennially. We have participated in the peer review process since its initial year—long before it was required. The reviews are conducted by other certified public accounting firms and examine our systems of quality control for the accounting and auditing practice. Requirements under the Peer Review Program are stringent and provide for minimum standards in the following areas:

- Method of assigning personnel to engagements
- Hiring of qualified employees
- Supervision of staff personnel
- Independence policies & consultation policies (internal and external) on technical matters
- Continuing professional development and training
- Advancement and promotion of personnel
- Acceptance and continuance of clientele
- Inspection reviews of quality control policies & procedures

James Moore has successfully completed 15 triennial peer reviews with no letters of comment or deficiencies ever reported. Our fifteenth peer review report, dated April 23, 2021, can be found on the following page.

***You will note that our peer review notes a “pass” rating, which is the best rating awarded. This peer review included a review of nonprofit and governmental engagements.*** In the peer review process, the peer review team evaluates and tests compliance with the firm's system of quality control. Significant instances of noncompliance normally result in a qualified report. We are strong advocates of the peer review process and self-regulation within the profession. In addition, James Moore conducts peer reviews of other firms throughout the country.

Although receiving a “pass” rating on our peer reviews are a source of great pride to us, what does it mean to you? It simply means that James Moore has a system of internal control that maximizes the quality of its people, procedures, and its ultimate product. Our firm requires its professional personnel to approach all engagements with objectivity and fairness. Personnel are particularly sensitive to the requirement for confidential treatment of any information obtained during the course of the audit prior to release of audit reports.

### Federal or State Desk Reviews, Field Reviews & Disciplinary Actions

The firm has had no reports or records of substandard work. There have been no federal or state desk reviews or field reviews of its audits. There have been no disciplinary actions taken or pending against the firm or any partners or employees of the firm by state regulatory bodies or professional organizations within the last three years or in the history of the firm.

# Firm Background

## PEER REVIEW REPORT

HADDOX  
REID  
EUBANK  
BETTS PLLC

CPAs & Advisors

### REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

April 23, 2021

To the Members  
James Moore & Co., P.L.  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of James Moore & Co., P.L. (the firm) in effect for the year ended October 31, 2020. 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](http://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 compliance audits under the Single Audit Act and audits of employee benefit plans.

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 James Moore & Co., P.L. in effect for the year ended October 31, 2020, 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*. James Moore & Co., P.L. has received a peer review rating of *pass*.

*Haddox Reid Eubank Betts PLLC*

One Jackson Place, Suite 500 ■ P.O. Drawer 22507 ■ Jackson, MS 39225-2507 ■ Ph: 601-948-2924 ■ Fx: 601-960-9154 ■ [www.HaddoxReid.com](http://www.HaddoxReid.com)

# Firm Experience

# Firm Experience

## GOVERNMENT SERVICES TEAM

Government entities are a cornerstone of our firm's practice. So our Government Services Team is entrenched in your industry, because understanding the issues you face is the key to helping you overcome them. These team members work primarily with government clients and maintain memberships in and contacts with prominent industry organizations.

**James Moore has provided auditing services for over 100 local governments and related organizations.** As a result of this experience, we thoroughly understand the workings of entities like yours and can perform your audit efficiently and thoroughly - resulting in a cost effective yet thorough engagement.

However, we're more than just a government auditor; we assist with all of the complexities associated with financial reporting and daily challenges. In addition to independent auditing services, solutions we provide include:

- Federal & State Compliance Solutions
- Financial Condition Assessments
- Budget Development/Evaluation
- Internal Control Analyses
- Elected Official Orientation
- Comprehensive Annual Financial Reports
- New Standard Implementation Assistance
- Forensic Auditing
- Decision Validation
- Finance Director Solutions

- Revenue Enhancement Audits
- Needs Assessments - Financial & IT
- Rate Studies
- Audit Readiness
- Actuarial Report Interpretations
- Risk Management Assistance
- Lean Six Sigma
- Fund Balance Planning & Management
- Agreed-Upon Procedures
- Comfort letters in connection with debt securities

Your engagement partners, James Halleran and Zach Chalifour, currently serve on the GFOA's CAFR Review Committee, which reviews CAFRs of governmental entities to determine if a CAFR meets the reporting requirements necessary to obtain the Certificate of Achievement for Excellence in Financial Reporting.

James has also served on the FICPA Local Government Committee for several years and currently serves on the FGFOA Technical Resource Committee. In addition, both he and Zach have taught at several FGFOA and FICPA Conferences and local chapter meetings and are frequent speakers throughout the state of Florida.



# Firm Experience

## COMPREHENSIVE GOVERNMENT EXPERIENCE

Our firm has audited over 100 governmental entities (local and state), giving us in-depth knowledge of your needs and requirements. A complete list of our municipal and county government experience is as follows:

### COUNTIES

Baker  
Flagler  
Gilchrist  
Hamilton  
Levy  
St. Johns  
Union  
Volusia  
Wakulla

Cross City  
Crystal River  
Daytona Beach  
Daytona Beach Shores  
DeLand  
Edgewater  
Fernandina Beach  
Flagler Beach  
Golden Beach  
Grand Ridge  
Green Cove Springs

Marco Island  
Melbourne (special project)  
Melbourne Beach  
Mexico Beach  
Midway  
Monticello  
Newberry  
New Smyrna Beach  
Orange Park  
Ormond Beach  
Palm Coast

### MUNICIPALITIES

Altha  
Astatula  
Atlantic Beach  
Avon Park  
Bristol  
Bunnell  
Callahan  
Cape Canaveral  
Carrabelle  
Casselberry (special project)  
Chattahoochee  
Chiefland  
Crescent City

Greensboro  
Greenville  
Hampton  
Havana  
High Springs  
Hilliard  
Holly Hill  
Inglis  
Interlachen  
Lake City  
Lake Helen  
Lynn Haven  
Madeira Beach  
Malabar

Port Orange  
Quincy  
South Daytona  
St. Augustine Beach  
St. Marks  
St. Pete Beach  
Starke  
Titusville  
Welaka  
Williston  
Winter Park  
Yankeetown



# Firm Experience

## SINGLE AUDIT EXPERIENCE

James Moore has extensive experience preparing single audits for government organizations in accordance with Government Auditing Standards, issued by the Comptroller General of the United States (Yellow Book), OMB Uniform Grant Guidance, the Florida Single Audit Act, and Rules of the Auditor General, Chapter 10.550.

We have performed single audits for the following governmental clients (current and former).

- Baker County
- Capital Region Transportation Planning Agency
- City of Avon Park
- City of Bristol
- City of Bunnell
- City of Carrabelle
- City of Cape Canaveral
- City of Crystal River
- City of Daytona Beach
- City of Daytona Beach Shores
- City of DeLand
- City of Edgewater
- City of Flagler Beach
- City of Green Cove Springs
- City of High Springs
- City of Lake City
- City of Lynn Haven
- City of Mexico Beach
- City of Monticello
- City of New Smyrna Beach
- City of Ormond Beach
- City of Palm Coast
- City of Port Orange
- City of St. Augustine Beach
- City of St. Marks
- City of St. Pete Beach
- City of Titusville
- City of Williston
- City of Winter Park
- Clay County Utility Authority
- Flagler County
- Florida Governmental Utility Authority
- Gilchrist County
- Hamilton County
- Levy County
- North Florida Broadband Authority
- Northeast Florida Regional Council
- Northwest Florida Water Management District
- Putnam-Clay-Flagler EOC, Inc.
- Space Coast Transportation Planning Organization
- St. Johns River Water Management District
- Southwest Florida Water Management District
- Suwannee River Water Management District
- Suwannee Valley Transit Authority
- Town of Altha
- Town of Grand Ridge
- Town of Greensboro
- Town of Greenville
- Town of Havana
- Town of Interlachen
- Town of Orange Park
- St. Johns County
- Union County
- Volusia County
- River to Sea Transportation Planning Organization
- Wakulla County
- Wakulla County School Board

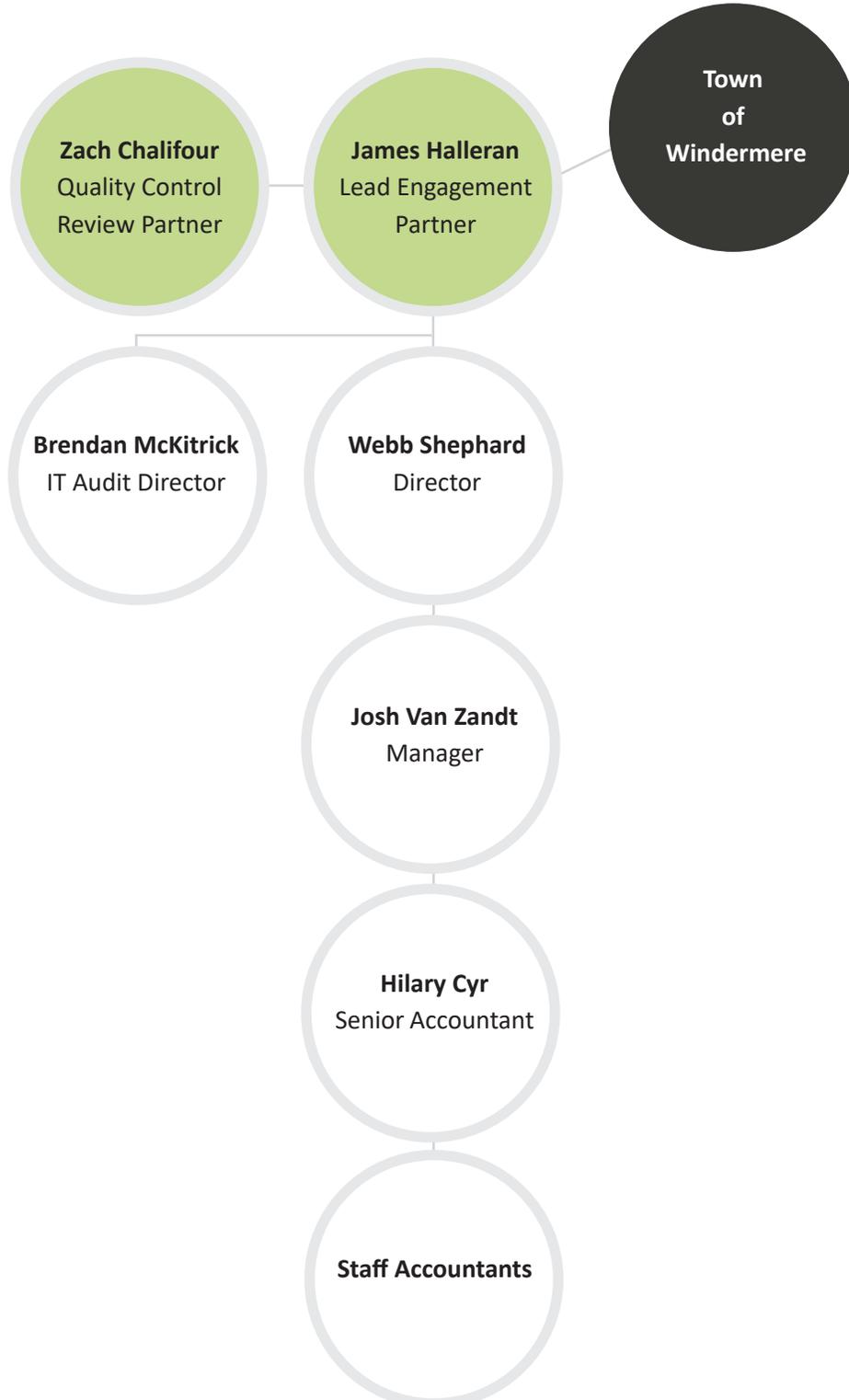


# Team Qualifications

# Team Qualifications

## PROPOSED STAFFING PLAN

We believe that successful engagement performance requires a strong, functional team. Our approach to selecting an engagement team is based on the need for close coordination, carefully-defined responsibilities, open lines of communication, and constant quality control throughout the engagement. We hire the best from around the state, bringing value to our partnership with clients. Your engagement will be staffed by full-time accountants. All members have extensive experience serving related entities. The proposed engagement team is as follows:



# Team Qualifications

## RÉSUMÉS



### **JAMES HALLERAN, CPA LEAD PARTNER**

**James has more than 25 years of experience providing accounting and consulting services for nonprofit organizations and government entities. He is a key member of our firm's Government and Nonprofit Services Teams.**

#### **ENGAGEMENT RESPONSIBILITIES**

James will serve as the primary point of contact and will have complete and final responsibility for the engagement.

#### **EXPERIENCE**

James's experience includes a wide range of assignments with an emphasis on nonprofit and governmental auditing. During his tenure with the firm, James has been involved with nonprofit organizations that receive state and federal financial assistance subject to Government Auditing Standards, Florida Single Audit Act and with OMB Uniform Grant Guidance. He has performed consulting services in the area of internal controls, agreed-upon procedures, and system design. In addition, he has performed internal inspections and external peer reviews for the firm in accordance with peer review requirements.

James is recognized statewide as an expert for government auditing and reporting, and he currently serves on the technical resource committee for the FGFOA. He is often called upon to teach training courses within the firm and for the FICPA and FGFOA. Additionally, he serves as a CAFR reviewer for the GFOA.

#### **EDUCATION & CONTINUING PROFESSIONAL EDUCATION**

James received a Master of Science in Taxation and a Bachelor of Science degree in Business Administration with a Major in Accounting from the University of Central Florida. He has exceeded the CPE requirements of the State Board, with classes specific to nonprofit and governmental auditing, as required by the U.S. Government Accountability Office.

#### **NOTABLE CLIENTS**

Volusia County	City of Palm Coast
St. Johns River	City of Edgewater
Water Management District	City of St. Augustine Beach
Florida Governmental Utility Authority	City of Green Cove Springs
City of New Smyrna Beach	City of Holly Hill

#### **MEMBERSHIPS**

American Institute of Certified Public Accountants (Member of the Not-For-Profit Section and Government Audit Quality Center)

Florida Institute of Certified Public Accountants (Past Steering Committee of the State & Local Government Section)

Government Finance Officers Association (CAFR Reviewer)

Florida Government Finance Officers Association (Technical Resource Committee and Instructor)

Volusia/Flagler Chapter of the Florida Government Finance Officers Association (Instructor)

Northeast Florida League of Cities

Volusia League of Cities

Space Coast League of Cities

United Way of Volusia and Flagler Counties, Inc. (Past Chair and Treasurer)

Strategic Nonprofit Alliance Partnership (Partner-in-Charge - Volusia/Flagler Group)

Rotary Club of Daytona Beach (Past Treasurer)

Port Orange/South Daytona Chamber of Commerce (Past Board Member)

Leadership Port Orange/South Daytona Chamber Alumni

Volusia County Citizens Academy Alumni

# Team Qualifications

## RÉSUMÉS



### ZACH CHALIFOUR, CPA QUALITY CONTROL REVIEW PARTNER

Zach has nearly 15 years of experience serving government entities. As a result of his experience, he leads our Government Services Team and serves as an integral member of the firm's Accounting & Auditing Team.

#### ENGAGEMENT RESPONSIBILITIES

Zach will perform the second partner review of the financial statements. He will also be available to the entire team for all aspects of the engagement.

#### EXPERIENCE

Throughout his career with the firm, Zach's primary focus has been on serving government entities with budgets ranging from \$1 million to nearly \$1 billion, including those that have received annual federal and state assistance subject to OMB Uniform Guidance and the Florida Single Audit Act of almost \$100 million.

The leader of our firm's Government Services Team, Zach has also worked with numerous clients to assist in the early implementation of new GASB standards, and he has also served in a consulting capacity to assist entities and organizations prepare for their external audits and to prepare financial statements. Zach also brings a unique perspective to the audit environment based on his inside working knowledge of local government finance, having served as the contract Finance Director for the City of Lake Helen since early 2019.

#### EDUCATION & CONTINUING PROFESSIONAL EDUCATION

Zach received a Master of Accountancy and Bachelor of Business Administration with a Major in Accounting Information Systems from Stetson University. He has exceeded the CPE requirements of the State Board, with classes specific to nonprofit and governmental auditing, as required by the U.S. Government Accountability Office.

#### NOTABLE CLIENTS

Volusia County  
City of Port Orange  
City of South Daytona  
City of Ormond Beach

City of Cape Canaveral  
City of DeLand  
City of St. Pete Beach  
City of Titusville

#### MEMBERSHIPS

American Institute of  
Certified Public Accountants  
(Member of the  
Government Audit Quality Center)

Florida Institute of  
Certified Public Accountants  
(State & Local Government  
Section)

Government Finance Officers  
Association (CAFR Reviewer)

Florida Government Finance  
Officers Association  
(Planning Conference Committee  
and Instructor)

Space Coast Chapter of the FGFOA

Volusia/Flagler Chapter of the  
Florida Government Finance  
Officers Association

Space Coast League of Cities

Volusia League of Cities

Florida Court Clerks and  
Comptrollers (Partner)

Florida Tourist Development Tax  
Association

# Team Qualifications

## RÉSUMÉS



### **BRENDAN MCKITRICK, CPA, CISA IT AUDIT DIRECTOR**

Brendan has over 10 years of experience in the accounting industry. As a CPA and CISA, Brendan works closely with organizations in a broad range of industries to provide a variety of IT-related audit services and financial statement audits.

#### **ENGAGEMENT RESPONSIBILITIES**

Brendan will perform IT assessments, risk assessments, IT general controls, and other technology-related services. He will also participate in and help manage all aspects of the audit, from planning, performance, and supervision of fieldwork to the preparation of financial statements and reports.

#### **EXPERIENCE**

A Certified Information Systems Auditor, Brendan stays current on technology related audit standards and focuses his career on providing IT assessments, risk assessments, IT general controls, application controls, data extraction, and related IT consulting services for his clients.

As a Director, Brendan is also skilled in managing and monitoring the audit process, including planning meetings, testing, risk assessment, evaluation, and developing the engagement approach.

As a result of his experience serving related entities, Brendan serves as an integral member of the firm's Government and Higher Education Services Teams.

#### **EDUCATION & CONTINUING PROFESSIONAL EDUCATION**

Brendan received a Master of Science in Information Systems and Operations Management and a Bachelor of Science in Accounting from the University of Florida. He has exceeded the continuing professional education requirements of the State Board, with classes specific to nonprofit and governmental auditing, as required by the U.S. Government Accountability Office.

#### **NOTABLE CLIENTS**

Volusia County	City of DeLand
City of Port Orange	Southwest Florida
City of New Smyrna Beach	Water Management District
City of Palm Coast	City of Titusville
City of Ormond Beach	City of Cape Canaveral
City of Green Cove Springs	

#### **MEMBERSHIPS**

American Institute of Certified Public Accountants (Member of the Government Audit Quality Center)

Florida Institute of Certified Public Accountants (State & Local Government Section)

Florida Government Finance Officers Association (FGFOA)

North Central Chapter of the FGFOA

Florida League of Cities

Alachua League of Cities

Northeast Florida League of Cities

Suwannee Valley League of Cities

Information Systems Audit and Control Association (ISACA)

College Athletic Business Management Association (CABMA)

National Association of College and University Business Officers (NACUBO)

# Team Qualifications

## RÉSUMÉS



### **WILLIAM (WEBB) SHEPHARD, CPA DIRECTOR**

Webb has nearly 10 years of experience providing auditing, tax, and personalized accounting services to nonprofit organizations, government entities and privately held businesses and individuals.

#### **ENGAGEMENT RESPONSIBILITIES**

As the Engagement Director, Webb will play a role in planning, performance and supervision of fieldwork, and preparation of the financial statements and reports.

#### **EXPERIENCE**

As a CPA and consultant, Webb has earned the trust of nonprofit organizations, government entities and privately-held entities. Although he works with clients in a broad range of industries, his focus is on serving the needs of nonprofit organizations and government entities.

Prior to joining James Moore, Webb was a Director of Operations for a national telecommunications contract company. Being in upper-level management for nearly a decade gave Webb unique experience that not many other CPAs possess – leading to insight that helps him better identify organizational and financial issues that are ripe for improvement. He also has a background in computer engineering and is CompTIA A+ certified.

#### **EDUCATION & CONTINUING PROFESSIONAL EDUCATION**

Webb graduated with a Master of Accountancy from Stetson University and a Bachelor of Science in Applied Science - Business Management from Daytona State College. He has exceeded the CPE requirements of the State Board, with classes specific to nonprofit and governmental auditing, as required by the U.S. Government Accountability Office.

#### **NOTABLE CLIENTS**

Union County	City of Lake Helen
Volusia County	City of New Smyrna Beach
City of Bunnell	City of Palm Coast
City of Cape Canaveral	City of Port Orange
City of Edgewater	City of Winter Park

#### **MEMBERSHIPS**

American Institute of  
Certified Public Accountants  
(Member of the  
Government Audit Quality Center)

Florida Institute of  
Certified Public Accountants  
(Member of the State & Local  
Government Section)

Volusia League of Cities

Flagler County Chamber of  
Commerce  
(Business Issues Committee  
Member)

# Team Qualifications

## RÉSUMÉS



### **JOSH VAN ZANDT, CPA MANAGER**

Josh has over five years of experience providing auditing, tax, and personalized accounting services to government entities, nonprofit organizations, and privately held businesses.

#### **ENGAGEMENT RESPONSIBILITIES**

As the Manager, Josh will be responsible for various aspects of the engagement, including planning, performance and supervision of fieldwork, data extraction testing, and preparation of final audit reports. He will be responsible for conducting audit testing of the financial statements and compliance auditing under the OMB Uniform Grant Guidance and Florida Single Audit Act.

#### **EXPERIENCE**

Josh has over five years of professional accounting experience in both audit and tax capacities. At James Moore, he works on audit and attestation engagements primarily for the government and nonprofit industries. He also performs other assurance engagements in areas such as employee benefit plans and for-profit businesses.

#### **EDUCATION & CONTINUING PROFESSIONAL EDUCATION**

Josh earned a Bachelor of Arts in Accounting from Cedarville University. He has exceeded the CPE requirements of the State Board, with classes specific to governmental and nonprofit auditing, as required by the U.S. Government Accountability Office.

#### **NOTABLE CLIENTS**

City of Cape Canaveral  
City of Edgewater  
City of Green Cove Springs  
City of New Smyrna Beach  
City of Ormond Beach

City of Palm Coast  
City of Port Orange  
City of Titusville  
Clay County Utility Authority

#### **MEMBERSHIPS**

American Institute of  
Certified Public Accountants  
(Member of the  
Government Audit Quality Center)

Florida Institute of  
Certified Public Accountants  
(State & Local Government  
Section)

Volusia Leagues of Cities

Northeast Florida League of Cities

Volusia Young Professionals Group

Delta Mu Delta  
(Former Officer)

# Team Qualifications

## RÉSUMÉS



### **HILARY CYR, CPA SENIOR ACCOUNTANT**

Hilary has over five years of accounting and auditing experience, with an emphasis on government and nonprofit client engagements. She is a key member of our Government Services Team.

#### **ENGAGEMENT RESPONSIBILITIES**

Hilary will be responsible for various aspects of the engagement, from planning, performance and supervision of fieldwork, data extraction testing, and preparation of final audit reports.

#### **EXPERIENCE**

Hilary has over five years of experience conducting financial audits, federal and state compliance audits, and agreed-upon procedures. She focuses primarily on government and nonprofit clients, giving her extensive knowledge of the requirements of single audits.

#### **EDUCATION & CONTINUING PROFESSIONAL EDUCATION**

Hilary earned a Master of Science in Accounting from Southern New Hampshire University and a Bachelor of Science in Accounting (Finance) from the University of Southern Maine. She has exceeded the CPE requirements of the State Board, with classes specific to governmental and nonprofit auditing, as required by the U.S. Government Accountability Office.

#### **NOTABLE CLIENTS**

Volusia County	City of Port Orange
City of Bunnell	City of South Daytona
City of DeLand	City of St. Augustine Beach
City of Lake Helen	City of Titusville
City of New Smyrna Beach	St. Johns River Water Management District
City of Ormond Beach	Town of Astatula
City of Palm Coast	

#### **MEMBERSHIPS**

American Institute of Certified Public Accountants  
(Member of the Government Audit Quality Center)

Florida Institute of Certified Public Accountants  
(State & Local Government Section)

United Way of Volusia-Flagler Counties  
(Executive Board Member of Generation Impact)

# Team Qualifications

## JAMES MOORE GOLD - OUR APPROACH TO SERVICE DELIVERY

At James Moore, you'll see our commitment to outstanding service in every aspect of our work. It's in the big things, like delivering accurate financial statements. It's in the little things, like returning your phone call right away. And with James Moore Gold, our time-tested consistent approach to service, we can ensure quality across the board.



**Communication** - We return emails and voicemails within 24 hours. If the question can't be answered in three emails, we pick up the phone. You'll have a dedicated team member as the main point of contact, we'll also ensure you meet each member of the team in person.



**Planning** - Our engagements begin with a smooth transition plan that educates our team, applies fresh perspective, and mitigates incorrect assumptions. At the end of this phase we move ahead with a deep understanding of your past, present, and future operations.



**Implementation** - *Lean Six Sigma* is a core component of how we work, including our audit and tax process. This approach improves service and timeliness by eliminating waste from our processes, ultimately resulting in a more meaningful and impactful engagement that takes less time, without jeopardizing quality.



**Technology** - James Moore leverages technology to the fullest extent. From the industry-leading technical software (CCH ProSystem Fx and CCH Axcess), to video conferencing and file transfer tools used to manage communications, we maintain enterprise level technology comparable to national firms.



**Security** - To defend against data breaches and cyber attacks, data security and protection is a top priority. In fact, James Moore & Co. is a Microsoft Certified Gold Partner, a designation that requires our IT consulting division to carry the highest level of certifications, and one that makes us among the top 10% of IT providers in the world.

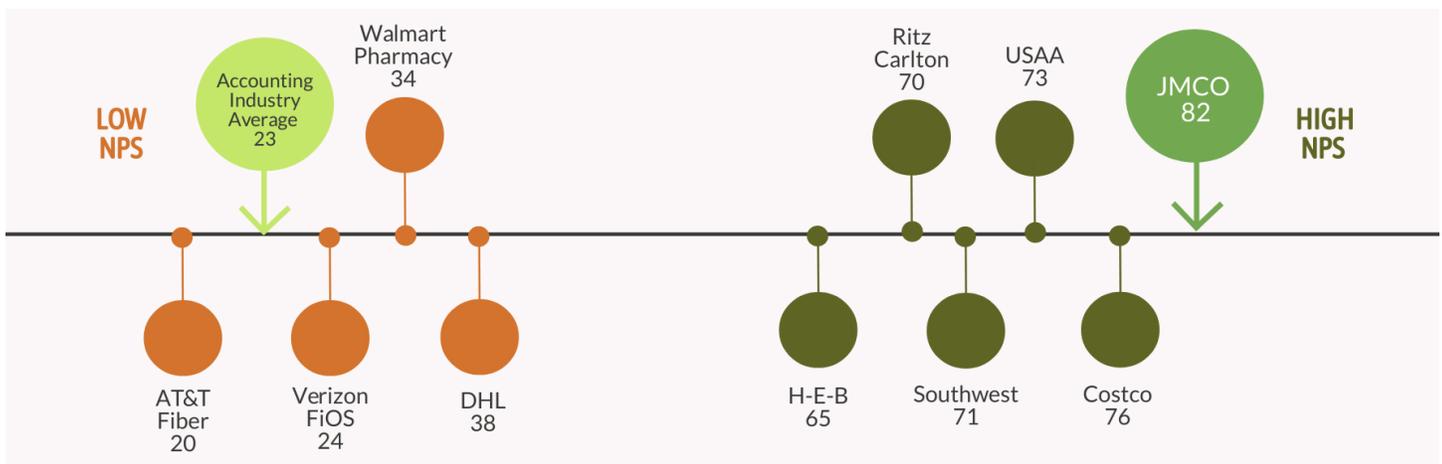


**Continuous Feedback** - We initiate periodic meetings to communicate our results, to ensure we're meeting your expectations, and to make any necessary adjustments to the engagement. We care to know how *you're* doing, how *we're* doing, and what we can do to serve you even better.

### Technical Expertise and Personal Service - The Best of Both Worlds

We're much more than just a compliance shop; we're focused on the entire picture of your operations – addressing your overall organization goals as well as your audit and accounting matters. With James Moore, you get a stellar combination of client service, technical knowledge, and world-class expertise with the accessibility you'd expect from a local service provider.

While our expertise speaks for itself, it's our commitment to client service that sets us apart. But don't just take our word for it...**a recent survey found that our clients are nearly four times more likely than the industry average to recommend us to their friends and colleagues.** This is according to our Net Promoter Score (NPS) - a leading indicator of customer experience and business growth recognized around the world.



Source: NICE Satmetrix U.S. Consumer 2020 Net Promoter Benchmarks



# Client References

# References

We are pleased to provide you with client references served who best match the requirements and needs of your organization. We invite you to contact these entities regarding our dedication to our client service, our professionalism, and our knowledge and experience.

NAME OF ENTITY CONTACT INFORMATION	PARTNER	SCOPE OF WORK	DATES
<b>City of Palm Coast</b> Helena Alves, Finance Director Phone: 386-986-2360	James Halleran	Financial statement audit, single audit, CAFR, utility audit, FEMA testing	2009 - present
<b>City of New Smyrna Beach</b> Natalie Eckroth, Finance Director Phone: 386-410-2651	James Halleran	Financial statement audit, single audit, CAFR,	2009-2013; 2019 - present
<b>City of Green Cove Springs</b> Marlena Guthrie, Finance Director Phone: 904-297-7500	James Halleran	Financial statement audit, single audit, utility audit	2014 - present
<b>City of Edgewater</b> Bridgette Vaissiere, Finance Director Phone: 386-424-2400, ext. 4000	James Halleran	Financial statement audit, single audit, CAFR, utility audit, FEMA testing, other consulting	2009 - present
<b>City of Holly Hill</b> Stella Gurnee, Finance Director Phone: 386-248-9426	James Halleran	Financial statement audit, single audit, CAFR, utility audit, FEMA testing, police pension audit	2002 - 2008 (police pension) 2020 - present (City audit)
<b>City of St. Augustine Beach</b> Patty Douylliez, Finance Director Phone: 904-471-2122 x103	James Halleran	Financial statement audit, single audit	2018 - present

*“The City is extremely pleased with its relationship with James Moore; their professionalism and integrity are second to none. The audit team that engages with the City is knowledgeable and organized. Communication is definitely one of their strongest qualities, which has allowed audits to flow smoothly/efficiently. Their approach/process allows Staff to deliver all required audit items seamlessly. James Moore has been absolutely superb! I would highly recommend James Moore.”*

**Bob Hoog, Mayor**  
**City of Cape Canaveral**



# Service Approach

# Service Approach

## SPECIFIC AUDIT APPROACH

### UNDERSTANDING OF THE SCOPE OF SERVICES TO BE PERFORMED

We understand the work to be performed, including an examination of financial statements, a financial audit as defined in FS 11.45, and a compliance audit required by the Federal Uniform Grant Guidance and Rules of the Auditor General.

### LEAN CULTURE

James Moore has adopted a Lean culture, developing Gold Standards that require we provide the best service possible. We have implemented Gold Standards for each phase of the audit process. As we go through each phase of the audit, we ask ourselves:

1. Does this provide value to our client?
2. Does this provide value to James Moore?
3. Does this meet a regulatory standard?

If a procedure or task does not meet one of these requirements, we do not spend our time on it and instead refocus our efforts to something that is of value. Much of that focus ensures frequent communication throughout the year, which helps us to develop a robust risk assessment tailored to your organization, as well as serve as trusted advisors while business decisions are being made. We have found there are fewer surprises and work loops later in the process as a result of effective planning. For the purposes of this proposal, we summarized our audit process into three distinct phases: (1) Planning; (2) Fieldwork; (3) Reporting. A brief description of each phase is included on the following pages.



### AUDIT APPROACH & PROCESS

Our methodology has been developed to comply with generally accepted auditing standards promulgated by the AICPA's Auditing Standards Board (U.S. GAAS) and, when applicable, Generally Accepted Government Auditing Standards (GAGAS). These auditing standards establish the overall objectives of the independent auditor and explain the nature and scope of an audit, and are also designed to enable the independent auditor to meet those objectives. The auditing standards stipulate the general responsibilities of the auditor, as well as the auditor's further considerations relevant to the application of those responsibilities to specific topics.

Additionally, as significant Federal and State grant expenditures are anticipated to continue at your organization, your audit is also subject to OMB Uniform Grant Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*, as well as the Florida Single Audit Act.

# Service Approach

## SPECIFIC AUDIT APPROACH

### PLANNING

*Continuance Considerations:* Occurs 4-6 months before year-end. We consider items such as:

- Feedback received from previous audit exit conferences with management
- Meeting with management to discuss any significant or unusual activities that have occurred during the year or that are expected to occur within the year.

*Pre-planning Conversations:* Occurs 1-3 months before year-end. We inquire about items such as:

- Changes to intended services desired from our firm or the intended use of the financial statements
- Changes in management or other key staffing areas
- Impact of any recent accounting standards

These items are important for us in proactively planning for the nature, extent, and timing of the audit, but they also help us in serving as advisors. All relevant conversations are shared with key engagement team members in a timely manner so that the entire team remains updated.

*Formal Planning and Interim Procedures:* Occurs near year-end. Procedures include:

- Establish preliminary planning materiality
- Develop detailed audit plan, to include:
  - Assessment of risk at the financial statement account balance level
  - Plan tests of controls, tests of compliance and substantive procedures
  - Communicate audit plan with all members of engagement team
- Perform initial data extraction analysis of key accounts and transaction classes
- Meet with the Office of the Inspector General to gain an understanding of the results of work internal audit has performed over the organization
- Perform tests of controls and compliance
- Evaluate results of testing and, if necessary, modify the audit plan.

Internal controls are the steps put in place to provide reasonable assurance that the organization will achieve its objectives. These objectives fall into three categories:

1. Financial reporting
2. Operations
3. Compliance with laws and regulations

Obtaining an understanding of the entity's internal controls is a fundamental part of understanding the entity and its environment. Although the process for obtaining an understanding of the entity's internal control is addressed here as a separate process, it is part of our risk assessment and may be performed concurrently with other risk assessment procedures.

The primary reason for understanding the entity's internal controls is the same as performing other risk assessment procedures: (1) to assess the risk of material misstatement, and (2) to design and perform further audit procedures.

Our understanding of the internal controls will include the following:

- The five interrelated components of internal control: (1) control environment, (2) risk assessment, (3) information and communication systems, (4) control activities, and (5) monitoring;
- The entity's selection and application of accounting policies; and
- The entity's use of information technology (IT).

# Service Approach

## SPECIFIC AUDIT APPROACH

In addition, we will develop an understanding of how the entity selects and applies its accounting policies and consider their appropriateness. This understanding will include (1) methods of accounting for significant and unusual transactions, (2) the effects of significant accounting policies in emerging or controversial areas for which consensus or authoritative guidance is lacking, (3) identification of new financial reporting standards and regulations pertinent to the entity, including how the entity will implement them, and (4) changes in the entity's accounting policies, including consideration of the reasons for, and the appropriateness of the changes.

The understanding of internal controls will include, at a minimum, the following:

- For significant classes of transactions: An understanding of the entity's processes and controls over the initiating, authorizing, recording, processing, and reporting of transactions.
- For material accounts: An understanding of reconciliation controls related to material accounts. We will develop our understanding of reconciliation controls related to material accounts even if the account is not part of a significant class of transactions. For example, we may not consider the property account to be a part of a significant class of transactions for a particular entity, but if the property account is material, we will still gain an understanding of applicable reconciliation controls.
- For significant or fraud risks: An understanding of the controls related to that specific risk.

We cannot evaluate the design of the controls by assessing individual controls in isolation. Rather, we will assess the controls in a transaction cycle as a group, as follows:

1. Obtain an understanding of the processes and flow of information through the transaction cycle.
2. Determine what can go wrong within the transaction cycle.
3. Determine whether the controls are sufficient to address the instances of what can go wrong within the transaction cycle.

In determining whether the controls in a process are designed effectively, we will use a top-down approach: one in which we first consider the design of entity-level controls relevant to the process and then consider the activity-level controls. The entity-level controls that generally have the most direct impact on the function of the activity-level controls are the controls related to monitoring and general controls for IT. The effectiveness of activity-level controls is significantly affected by the effectiveness of entity-level controls. For example, an entity may have poor segregation of duties in the accounts payable/cash disbursements area and may compensate for this deficiency through a thorough review and approval of each disbursement. If the entity has an effective control environment, general controls for IT that limit access to accounts payable applications to one or a few people, and monitoring controls to ensure that the review and approval process is functioning correctly, we may determine that controls over the accounts payable/cash disbursements function are adequately designed. On the other hand, if the entity does not have a strong control environment and does not monitor the review and approval process, we would conclude that controls over the accounts payable/cash disbursements process are not designed effectively.

Evaluating the design of internal controls requires experience and familiarity with accounting and financial reporting systems. The auditors obtaining an understanding of your internal controls will have sufficient knowledge and experience to effectively accomplish the objectives of this process.

**During the Planning Phase the audit request list is updated based on our customized risk assessment. The request list is discussed with management at least 30 days before final fieldwork begins. We only ask for what we need, nothing more. A timeline of deliverables is agreed upon with management to ensure that fieldwork objectives and deadlines are met.**

# Service Approach

## SPECIFIC AUDIT APPROACH

The request list also serves as an inventory of items. As you upload documents to our secure client portal, they are marked as “received” on the request list so all engagement team members are aware of what has been received and what is outstanding. Two weeks before final fieldwork, the Engagement Manager or Audit Senior Accountant will follow up with management to make sure there are no questions or delays anticipated.

*Please note: All planning work, including our risk assessment and tailored audit procedures, is completed and reviewed by the Partner using our collaborative review process before final fieldwork begins.*

### FIELDWORK

Specific procedures are tailored according to the risk assessment, using information gathered during the Planning Phase. We follow a collaborative review process. As audit work is performed, the Engagement Manager and Partner are performing their review regularly, so that any comments can be discussed with the engagement team during fieldwork. Each member on the engagement team takes ownership and responsibility for the entire engagement. We have found this provides for a better quality output from the start; no additional clean-up following completion of fieldwork is needed to make our audit documentation meet required standards. When we leave the field, our goal is to have no or a minimal number of open items and a draft of the financial statements. Items completed during fieldwork include:

- Perform substantive testing of account balances
- Perform analytical procedures
- Draft the audit report and management letters

### REPORTING

- Final review of the audit report and financial statements by Lead Partner
- Final review by Quality Control Review Partner
- Summarize results of work and findings
- Obtain management representations
- Engagement reporting to management and those charged with governance
- Exit conference with management to obtain feedback on the audit

Since we communicate regularly throughout the audit process there will be no surprises when we issue our reports. The reports we issue will include:

- Our report on the financial statements
- Our report on internal control over financial reporting and on compliance and other matters
- If applicable, our report on compliance for each major federal program and state project and on internal control over compliance.
- Our communication with those charged with governance
- Our management letter required by Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

In addition to an exit conference with management, we encourage your governing/board members to meet with us prior to our formal presentation so we can go over all aspects of the audit report (including our findings and recommendations). We have found these meetings to be extremely beneficial in ensuring all of your questions and concerns are addressed, as well as foster meaningful communication between you and us.

# Service Approach

## AUDITING THAT MAKES SENSE

### Statistical Sampling

Individual sample sizes and tests will be selected based on the unique controls of significant transaction processes tested during the Preliminary Phase. Typically, such sample sizes will amount to no fewer than 40 transactions per process. While individual transactions are selected through sampling as a means of testing controls, our interim and year-end procedures will include significant data extraction procedures, which allow for an assessment to be performed of all transactions. Some audit areas in which sampling and/or data extraction procedures will be performed include non-payroll cash disbursements, payroll, and growth and resource management, among others.

### Extent of Computer Software

We anticipate using your technology to the maximum extent possible in conducting our audits. To the extent possible we will request schedules and other information in electronic form, either in spreadsheet format or as a direct download of information from your software. Such information provides for ease of reviewing, sorting and sampling and saves time for your staff when reports do not have to be derived manually or printed in bulk.

Our firm employs the use of ProFx Engagement Software, which means we are nearly paperless. Use of this software enables us to perform a more meaningful audit, because our time can be spent on more important audit procedures as opposed to balancing out manual workpapers, posting manual adjusting entries, etc.

### Type & Extent of Analytical Procedures

Analytical procedures are an additional integral part of our typical audit plan. In addition to our sampling and data extraction (sometimes in advance of such procedures as a means of identifying areas to focus on in data extraction efforts), analytical procedures serve as a key procedure that can indicate areas in which unusual activity may have occurred. While extensive analytical procedures are performed over the financial information, we also incorporate non-financial information to aid in our assessment of financial activity.

### Internal Control Structure

Walkthroughs of key internal control processes will be performed on an annual basis to document a thorough understanding of your internal control structure and assess any changes to internal controls. These walkthroughs will be performed in person with appropriate personnel. Additionally, as discussed earlier, the documentation of every internal control process is prepared and/or reviewed by at least one individual who is certified in Lean Six Sigma. While the primary goal of all internal control systems auditing is centered around the sufficiency of the controls, every process will be considered at a high level from an efficiency perspective in an effort to provide recommendations for any potential efficiencies that may be achievable.

### Determining Laws & Regulations Subject to Testing

As part of obtaining reasonable assurance about whether your financial statements are free from material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. The identification of items deemed material for testing may arise from reading of your debt agreements, grant agreements, minutes, inquiries of your management or legal counsel, or any other audit procedures.

### Drawing Audit Samples

While some compliance tests are performed on an annual basis, the sizes of samples in any additional tests over compliance for larger populations could vary significantly depending on the nature, extent, and frequency of items in the total population. Any required sampling will be conducted in accordance with the applicable professional standards, as well as auditor judgment.

# Service Approach

## USE OF TECHNOLOGY AND DATA ANALYTICS

James Moore employs the use of CCH ProSystem Fx Engagement, a fully integrated, paperless audit and accounting software that enables audit firms to increase efficiency by automating workpaper preparation, management and workflow. We also employ paperless document storage for our tax return preparation processes.

The greatest efficiency in the use of ProSystem Fx Engagement is its capability to import and export client balances, data, and files from accounting software, Microsoft Word and Excel, as well as Adobe PDF software. Our experience is that the use of paperless technology contributes to the overall productivity and efficiency from the audit client's point of view.

We also use IDEA Data Analysis Software for various audit tests. This software enables us to download data directly from your accounting system, test 100% of selected transactions in certain instances, and apply Benford's Law (a statistical approach which highlights unusual transactions) and numerous other audit tests. We use this software to test cash disbursements, receivables, payroll, and journal entry transactions.

We anticipate using the technology to the maximum extent possible in conducting our audits. We will request all schedules and other information in electronic form, either in spreadsheet format or as a direct download of information from your accounting system. This information provides for ease of reviewing, sorting, and sampling that has proven to save time for your staff when reports do not have to be derived manually or printed in bulk.

During your audit engagement our hardware and software information systems consultant professionals will be involved, helping our team to fully understand your hardware, software, and network environment. The importance of understanding your technological environment cannot be stressed enough. In addition to being required under Generally Accepted Auditing Standards, this knowledge allows us to fully consider the security and key controls of your technological environment, and the integrity of data to design the best and most efficient manner in which to audit individual transactions and account balances overall.

### Communication

The engagement team has the capability to communicate via Skype for Business instant messaging software. This software allows users to chat either through typing or face-to-face video conferencing. It also allows users to share applications or screens, thereby allowing those who are reviewing materials to see a "live" screen. Having these communication tools in place helps to supervise the engagement team and address the engagement team's needs in a timely manner.

In addition, our firm created a Client Portal in response to our clients' requests that we have a centralized, secure, location to upload and download documents. The firm's Client Portal is an extension of a secure method we have used throughout the past few years to send emails and sensitive documents (Sharefile).





# Cost Proposal

# Cost Proposal

Providing a high level of value for the fees you pay is integral to our basic engagement philosophy. Although fees are important, they should not, in our opinion, be the sole factor in the selection of an audit firm for you. The choice of an accounting firm should always be made primarily on the basis of qualifications, capabilities, and commitment. We will spare no effort to find a common ground for providing a high level of service at a reasonable rate. Our goal is to ensure your accounting needs are met in a manner one would expect from a trusted advisor. Our total all-inclusive maximum fees for the engagement include all direct and indirect costs including all out-of-pocket expenses.

*If the fees we have presented do not fit within your budget constraints, we encourage you to contact us.*

FISCAL YEAR ENDING	AUDIT
September 30, 2021	\$17,000
September 30, 2022	\$17,500
September 30, 2023	\$18,000

All out of pocket expenses are included in the fees quoted above. The above fee quotes represent fixed fees. The proposed fees do not include performing a Federal or State Single Audit. If one is required we will discuss the proposed fees for this service and prepare an amendment to the engagement letter. Our fee for a Federal or State Single audit will be \$4,000 per major program/project required to be tested.

During the first year we anticipate spending an additional 40 hours (valued at approximately \$5,000) over the proposed budgeted hours. This time will be used to familiarize ourselves with your processes and additional items associated with a new client. This time will not be billed to you and is not included in the fees noted above. We consider it an investment in establishing a long-term relationship with you.

### Tentative Schedule for Performing Key Aspects of the Audit

As we understand timeliness is critical in the performance of the audit, all reports will be delivered on a schedule agreed upon you and James Moore. A proposed timeline follows:

AUDIT PHASE	DATE
Entrance conference with the Director of Finance	Upon Execution of Contract
Preliminary phase	August/September
Fieldwork	November
End of fieldwork/Draft of reports	December
Exit conference with Management	December/January
Final financial statements and reports	December/January
Formal presentation to the Town Council	January