



September 6, 2017

**Proposal to provide professional
auditing services to:**

Gulf Consortium

Prepared by:

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4.2 PROPOSAL CONTENTS

a. Firm Description and History

Established on January 2, 2012, the joint firm CliftonLarsonAllen (CLA) – the result of a union between Clifton Gunderson and LarsonAllen – is unique in the industry due to its deep industry specialization, seamless integrated capabilities, primary focus on governments and nonprofits as well as privately held businesses and their owners, and career-building strategy. We continue to hold true to the values and culture that have made individual practices successful in the past. Structured to provide clients with highly specialized industry insight, the firm delivers its audit, accounting, tax, consulting, and advisory capabilities from industry-specific perspectives.



Our professionals are immersed in the industries they serve and have specialized knowledge of their operating and regulatory environments. With more than 5,000 people, nearly 100 U.S. locations, and a global affiliation, we bring a wide array of solutions to help clients in all markets, foreign and domestic.

CLA has one of the largest governmental audit and consulting practices in the country, serving more than 2,000 governmental clients nationwide. Public sector clients represent approximately one-third of all firm-wide revenue, and each of the government services team members are thoroughly versed in the issues critical to complex governmental entities.

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



b. Relevant Governmental Auditing Experience

Government organizations are a dynamic, unique area of accounting, and require constant attention and monitoring. It is our knowledge of your industry that is crucial to offering actionable solutions. As a firm with nearly 60 years of experience, we possess an extensive understanding of your challenges and are able to respond promptly and effectively to help meet them. We have served over 70 different governmental entities over the past 2 years in the State of Florida. The following is a partial list of governmental entities that we have provided financial auditing services for in the State of Florida within the last 3 years.

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



c. References

Per the instructions of the RFP, we have sent the required *Reference Check Form* to the below clients, who have been instructed to complete the form and email or fax it to the Gulf Consortium within three (3) days.

1. Lee County Metropolitan Planning Organization
2. Tampa Bay Area Regional Transit Authority (TBARTA)
3. Town of Redington Beach, FL

d. Audit Engagement Staff

An experienced engagement team has been assigned to provide the most value to your organization. The team members selected for the Consortium's engagement have performed numerous projects of this nature and will commit the resources necessary to provide top quality service throughout the audit project.

Andrew P. Laflin, CPA

Engagement Principal, Tampa, Florida, 813-384-2711, Andrew.Laflin@CLAconnect.com

Profile

Andrew is a principal within CLA's state and local government practice in the State of Florida. Andrew has been with CLA (formerly LarsonAllen prior to January 1, 2012) since 2008. He has been practicing in the public sector for 9 years and has more than 14 years of auditing experience.



Technical /Client Experience

Andrew has experience performing assurance, consulting, and outsourced accounting and financial reporting services for a number of Florida local governments throughout his career. During his career he has provided audit and accounting services to:

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

Education/Professional Involvement

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



Sue Pagan, CPA

Engagement Manager, Tampa, Florida, 813-384-2713, Sue.Pagan@CLAconnect.com



Profile

Sue is an audit engagement director with CLA. Sue joined CLA in 2015 and has more than 20 years of auditing experience in the public sector serving Florida government clients. During this time she has served 5 Florida counties, nearly a dozen cities, 3 school districts, and several special districts. Sue is a member of AICPA and FICPA. Sue is a licensed CPA in the State of Florida.

Technical/Client Experience

Sue has over 20 years of experience in public accounting servicing local governments, many of which require federal and/or state single audits. Sue has client experience using the following accounting software products: Oracle, SunGard Public Sector (NaviLine), Great Plains, Peoplesoft, Integrated Financial Accounting System (iFAS), and others. During her career, she has provided audit and accounting services to:

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

Education/Professional Involvement

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

Kimberly Poblete

Financial Audit Senior, Tampa, Florida, 813-384-2700, Kim.Poblete@CLAconnect.com



Profile

Kimberly (Kim) is an audit senior with CLA. Kim joined CLA in 2015 and has more than 9 years of auditing experience (formerly with Deloitte) in the public sector serving governmental entities and nonprofit organizations, which includes federal and state single audit experience.

Technical/Client Experience

Kim's experience is very heavily concentrated on providing service to governmental entities, including municipalities, counties, and special districts. She has served on the audit engagements listed below:

- City of Clearwater
- Clearwater Downtown Development Board
- Guam Community College
- University of Guam



- City of New Port Richey
- Government of Guam
- Guam Power Authority
- Guam Waterworks Authority
- Guam Visitors Bureau
- Sarasota County
- Hillsborough Transit Authority (HART)
- Diocese of Southwest Florida
- Ruth Eckerd Hall
- St. Pete Free Clinic
- The Salvation Army of Guam
- Pinellas Suncoast Transit Authority
- CareerSource Pinellas

Education/Professional Involvement

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

Certification, Licensure, and CPE Training

Every member of the proposed team attends a minimum of 20 hours annually of continuing professional education classes, including a minimum of 8 hours of audit and accounting classes, resulting in 120 hours for three-year requirement. Every two years, a minimum of 24 hours of CPE specifically related to Government Auditing Standards requirements. Specific CPE records are available upon request. Copies of CPA licensure for engagement staff members in the state are provided below.

Licensee Details		Licensee Details	
Licensee Information		Licensee Information	
Name:	LAFLIN, ANDREW PATRICK (Primary Name)	Name:	PESSANO, SUZANNE KATHRYN (Primary Name)
Main Address:	4240 W MORRISON AVE TAMPA Florida 33629	Main Address:	3450 BEECH TRAIL CLEARWATER Florida 33761
County:	HILLSBOROUGH	County:	PINELLAS
License Mailing:		License Mailing:	
LicenseLocation:		LicenseLocation:	
License Information		License Information	
License Type:	Certified Public Accountant	License Type:	Certified Public Accountant
Rank:	CPA	Rank:	CPA
License Number:	AC37570	License Number:	AC0025346
Status:	Current, Active	Status:	Current, Active
Licensure Date:	02/23/2005	Licensure Date:	05/07/1993
Expires:	12/31/2017	Expires:	12/31/2017

Professional Organization Memberships

CLA professionals are actively involved and/or are members of the following professional organizations:

- Florida Government Finance Officers Association
- The National Association of Housing and Redevelopment Officials
- The Florida Association of Housing and Redevelopment Officials
- Public Housing Authorities Directors Association (PHADA)
- American Institute of Certified Public Accountants (AICPA)
- AICPA's State and Local Government Expert Panel
- AICPA's Government Audit Quality Center
- 360 Degrees of Financial Literacy Committee
- Financial Accounting Standards Advisory Council
- Government Finance Officers Association and various State sponsored GFOA organizations
- Center for Public Company Audit Firms Peer Review Committee
- Association of Government Accountants
- AICPA Single Audit Quality Task Force
- AICPA's Risk Assessment Audit Committee
- Special Review Committee for the GFOA's Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program



e. Tentative Engagement Schedule

Our project management methodology results in a client service plan that provides for regular, formal communication with the entire management team and allows us to be responsive to your needs. The tentative schedule allows for input from your personnel to make certain that the services are completed based on your requirements. The plan may also be amended during the year based on input from the Consortium.

Timing	Segment	Service Delivery
Upon Contract Acceptance	Assessment	Entrance conference with the governance and key Finance personnel to discuss prior audit issues and current year procedures.
September/October	Planning & Strategy; Systems Evaluation	The main objective of these segments is to perform our risk assessments and identify significant audit areas. The details of these segments are described in the previous section of this proposal, <i>f. Audit Procedures</i> .
December	Testing & Analysis	Conduct final fieldwork, which includes performing the majority of our substantive testing. Specific procedures will include: <ul style="list-style-type: none"> • Analysis and review of supporting documentation provided by you relating to significant transactions and account balances. • Confirmation of account balances and certain contractual arrangements with outside parties. • Inquiries of management related to accounting estimates and accounting procedures, and the handling and classification of various transactions and account balances. • Analyses of accounts and financial relationships
December	Reporting & Follow-up	We will draft all reports, the management letter required by the Auditor General, and our Communication to Governance. We will also draft the financial statements if requested by management.
January	Audit Completion	Present final signed reports to management

f. Audit Procedures

Financial Statement Approach

We will conduct our financial statement audit in four primary phases, as described below:



Planning & Strategy

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



- Conduct an entrance meeting with the Consortium. Andrew Laflin and staff will meet with the Consortium personnel to mutually agree on an outline of responsibilities and timeframes.
- Gain an understanding of the operations of the Consortium including any changes in its organization, management style, and internal and external factors influencing the operating environment. We will utilize reference materials such as the budget and related materials, organizational charts, manuals and programs, financial, and other management information systems
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment
- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using Interactive Data Extraction and Analysis (IDEA), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the Consortium and establish mutually agreed upon deadlines

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

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



Systems Evaluation

During the systems evaluation phase, we will gain an understanding of the internal control structure of the Consortium for financial accounting and relevant operations. Next, we will identify control objectives for each type of control that is material to the financial statements, and then identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. Finally, we will determine the nature, timing, and

extent of our control testing and perform tests of controls. This phase of the audit will include testing of certain key internal controls:

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

We will develop our internal control tests to assess the compliance with certain provisions of laws, regulations, contracts, and grants for which noncompliance could have a direct and material effect on the determination of financial statement amounts. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality. Our assessment of internal controls will determine whether the Consortium has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

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



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



Testing & Analysis

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

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

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

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



Reporting & Follow-Up

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

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



Single Audit Approach (if applicable)

CLA follows a standardized Single Audit testing approach. In the current environment of increased oversight, it is more important than ever to find qualified auditors who have significant experience with federal and state grants specific to the Consortium and can maintain the quality of the Consortium's Single Audit. Therefore, the Single Audit will be performed by a CLA team who specialize in Single Audits in accordance with the Uniform Grant Guidance (2 CFR Part 200, Subpart F) and the Florida Single Audit Act (Section 215.97, Florida Statutes) and who will offer both knowledge and quality for the Consortium.

The AICPA issued guidance in AU-C Section 935 – "Compliance Audits" requires risk-based concepts be used in all compliance audits including those performed in accordance with the Uniform Guidance. Our risk-based approach incorporates this guidance. In years that a Single Audit is required, if applicable, we will conduct our audit in three primary phases, as listed below.

Phase 1: Risk Assessment and Planning

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

Phase 2: Major Program Testing

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

Phase 3: Final Assessment and Reporting

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

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

g. Schedule of Fees and Hourly Rates

Our fees are based on the timely delivery of services provided, the experience of personnel assigned to the engagement, and our commitment to meeting your deadlines.

CLA understands the importance of providing our clients with value-added solutions that will allow us to review and discuss with you the impact of new accounting issues, as well as any other business issues you are facing and how they should be handled. This level and frequency of interaction will no doubt enable CLA to help you tackle challenges as they come up, and take full advantage of every opportunity that presents itself. Below is an estimate of the hours and related fees for each level of personnel to be assigned to this audit:



Schedule of Hours by Level of Staff and Hourly Rates				
Level	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Principal	15	\$315	\$225	\$3,375
Manager	25	\$265	\$170	\$4,250
Senior	50	\$170	\$110	\$5,500
Associate	35	\$120	\$90	\$3,150
Subtotal	125			16,275
Additional Discount				\$(6,000)
Total				\$10,275

We have found over the years that our clients don't like fee surprises. Neither do we. We commit to you, as we do all of our clients, that:

- We will be available for brief routine questions at no additional charge, a welcome investment in an on-going relationship.
- Any additional charges not discussed in this proposal will be mutually agreed upon up front.
- We will always be candid and fair in our fee discussions, and we will avoid surprises.

We propose the following all-inclusive annual fees:

Year	Gulf Consortium
2017	\$10,275

The below are previous audits performed by CLA for governments of similar size and budget to the Consortium for the last three years:

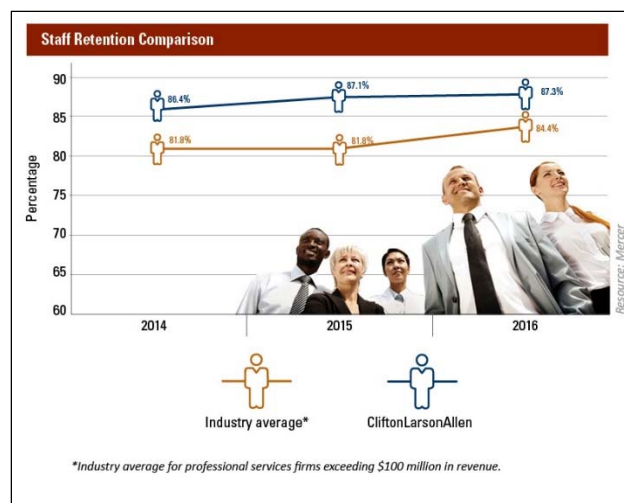
Engagement	2014 Fees	2015 Fees	2016 Fees
Tampa Bay Area Regional Transit Authority	\$14,000	\$15,000	\$15,000
Lee County Metropolitan Planning Organization	\$20,450	\$21,150	\$21,750
Town of Redington Beach	\$21,100	\$21,500	\$22,000



h. Firm Staffing

We are committed to providing continuity throughout this engagement. It is our policy to maintain the same staff throughout an engagement, providing maximum efficiency and keeping the learning curve low. We are also flexible in exploring alternative strategies to non-mandatory rotation policies. In any business, however, turnover is inevitable. When it happens, we will provide summaries of suggested replacements and will discuss re-assignments prior to finalizing. We have an adequate number of qualified staff members to provide the District with top service over the term of the engagement.

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



i. Peer Review Report

A copy of CLA’s most recent Peer Review Report can be found in the *Appendix* section of the proposal.

j. Acknowledgement of Addenda

On August 24, 2017 a question and answer notification (addenda) was issued for the Gulf Consortium Services RFP. We received the addendum that was issued.

k. Exhibit A, General Grant Funding Special Proposal Conditions Form

A signed copy of the Exhibit A, General Grant Funding Special Proposal Conditions form can be found in the *Appendix* section of the proposal.

l. Litigation Disclosure

From time to time, the firm is a defendant in lawsuits involving alleged professional malpractice. In all cases, the firm believes that it has a strong position and intends to defend it vigorously. Should the ultimate outcome be unfavorable, however, net of the deductible provisions of the firm's malpractice insurance, all cases are expected to be fully covered by insurance and will not have a material impact on the firm or its ability to perform these services.

Moreover, in those cases where claims have been resolved by settlement (the vast majority of our cases), the firm is typically subject to confidentiality agreements that prohibit the disclosure of information regarding those matters. Disclosure by the firm of any details about those matters could invalidate the settlement agreements.

m. Florida Board of Accountancy Disclosure

CLA affirms that at no time during the past or present has any member of CLA been involved in any disciplinary action with the Florida State Board of Accountancy.



APPENDIX



Peer Review Report



System Review Report

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

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

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

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

Cherry Bekaert LLP

Cherry Bekaert LLP
November 21, 2016



Exhibit A, General Grant Funding Special Proposal Conditions Form

EXHIBIT A GENERAL GRANT FUNDING SPECIAL PROPOSAL CONDITIONS

This solicitation is fully or partially funded by Federal grants. Proposers shall comply with the following:

1. **Drug Free Workplace Requirements:** Drug-free workplace requirements in accordance with Drug Free Workplace Act of 1988 (Pub L 100-690, Title V, Subtitle D) All contractors entering into Federal funded contracts over \$100,000 must comply with Federal Drug Free workplace requirements as Drug Free Workplace Act of 1988.
2. **Contractor Compliance:** The contractor shall comply with all uniform administrative requirements, cost principles, and audit requirements for federal awards.
3. **Conflict of Interest:** The contractor must disclose in writing any potential conflict of interest to the Consortium or pass-through entity in accordance with applicable Federal policy.
4. **Mandatory Disclosures:** The contractor must disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
5. **Utilization of Small and Minority Businesses, Women's Business Enterprises and Labor Surplus Area Firms:** The contractor must take all necessary affirmative steps to assure that small, minority, and women-owned businesses are utilized when possible, in accordance with 2CFR 200.321. If subcontracts are to be let, prime contractor will require compliance of this provision by all sub-contractors. Prior to contract award, the contractor shall document efforts to assure that such businesses are solicited when there are potential sources; that the contractor made an effort to divide total requirement, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses; and, that the contractor has established delivery schedules, where permitted, to encourage such businesses respond. Contractor and sub-contractor shall utilize service and assistance from such organizations as SBA, Minority Business Development Agency of the Department of Commerce, the Florida Department of Management Services (Office of Supplier Diversity), the Florida Department of Transportation, Minority Business Development Center, and Local Government M/DBE programs, available in many large counties and cities. Documentation, including what firms were solicited as suppliers and/or sub-contractors, as applicable, shall be included with the bid proposal.
6. **Equal Employment Opportunity:** (As per Executive Order 11246) The contractor may not discriminate against any employee or applicant for employment because of age, race, color, creed, sex, disability or national origin. The contractor agrees to take



affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their age, race, color, creed, sex, disability or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship.

7. **Davis-Bacon Act:** If applicable to this contract, the contractor agrees to comply with all provisions of the Davis Bacon Act as amended (40 U.S.C. 3141-3148). Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. If the grant award contains Davis Bacon provisions, the Consortium will place a copy of the current prevailing wage determination issued by the Department of Labor in the solicitation document. The decision to award a contract shall be conditioned upon the acceptance of the wage determination.

8. **Copeland Anti Kick Back Act:** If applicable to this contract, contractors shall comply with all the requirements of 18 U.S.C. § 874, 40 U.S.C. § 3145, 29 CFR Part 3 which are incorporated by reference to this contract. Contractors are prohibited from inducing by any means any person employed in the construction, completion or repair of public work to give up any part of the compensation to which he or she is otherwise entitled.

9. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708):** Where applicable, all contracts awarded in excess of \$100,000 that involve the employment of mechanics or laborers must be in compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

10. **Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387):** as amended—The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33

U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

11. Debarment and Suspension (Executive Orders 12549 and 12689): A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension. SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The contractor shall certify compliance. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions and subcontracts.

12. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. The contractor shall certify compliance.

13. Rights to Inventions Made under a Contract or Agreement: The Consortium, and the Federal Funding Agency, where applicable, shall hold sole rights to all inventions for any experimental, developmental, or research work performed by the Contractor and funded with Government funds through this contract.

14. Procurement of Recovered Materials: Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

15. Access to Records and Reports: Contractor will make available to the Consortium’s granting agency, the granting agency’s Office of Inspector General, the Government Accountability Office, the Comptroller General of the United States, or any of their duly authorized representatives any books, documents, papers or other records, including electronic records, of the contractor that are pertinent to the Consortium grant award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. The right also includes timely and reasonable access to the contractor’s personnel during normal business hours for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are retained.

16. Record Retention: Contractor will retain of all required records pertinent to this contract for a period of three years, beginning on the date of final payment of contract, unless otherwise specified herein.

17. Federal Changes: Contractor shall comply with all applicable Federal agency regulations, policies, procedures and directives, including without limitation those listed directly or by reference, as they may be amended or promulgated from time to time during the term of the contract.

18. Termination for Default (Breach or Cause): Contracts in excess of \$10,000 – If Contractor does not deliver supplies in accordance with the contract delivery schedule, or, if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the Consortium may terminate the contract for default. Termination shall be effected by serving a notice of termination on the contractor setting forth the manner in which the Contractor is in default. The contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract.

19. Safeguarding Personal Identifiable Information: Contractor will take reasonable measures to safeguard protected personally identifiable information and other information designated as sensitive by the awarding agency or is considered sensitive consistent with applicable Federal, state and/or local laws regarding privacy and obligations of confidentiality.

20. Prohibition on utilization of cost plus a percentage of cost contracts: The Consortium will not award contracts containing Federal funding on a cost plus percentage of cost basis.

21. Prohibition on utilization of time and material type contracts: The Consortium will not award contracts based on a time and material basis if the contract contains Federal funding.

22. Disputes: Any dispute arising under this Agreement which is not settled by Agreement of the parties may be settled by mediation or other appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Agreement, Contractor shall proceed diligently with the performance of this Agreement in accordance with the decision of the Consortium. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County.

23. Energy Policy and Conservation Act (43 U.S.C. §6201): Contracts shall comply with mandatory standards and policies relating to energy efficiency, stating in the state energy conservation plan issued in compliance with the Energy Policy and Conservation act. (Pub. L. 94-163, 89 Stat. 871) [53 FR 8078, 8087, Mar. 11, 1988, as amended at 60 FR 19639, 19645, Apr. 19, 1995].

24. Pursuant to the Restore Council Financial Assistance Standard Terms and Conditions, the contract shall:

- a. Describe how the progress and performance of the Contractor will be monitored during and on close of the period of performance and identify who will be responsible for supervising the contract;
- b. Extend all applicable program requirements to the subrecipient;
- c. Include a requirement that the Contractor or subrecipient retain all records in compliance with 2 C.F.R. 200.333.
- d. Include a requirement that the subrecipient make available to the Council, the Treasury OIG, and the GAO any documents, papers or other records, including electronic records, of the subrecipient, that are pertinent to this award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.

As the person authorized to sign this statement, I certify that this company complies/will comply fully with the above requirements.

DATE: 9/6/2017

SIGNATURE: 

TITLE: Principal

COMPANY: CliftonLarsonAllen LLP

ADDRESS: 201 North Franklin Street, Suite 2500, Tampa, FL 33602

PHONE: 813-384-2711

EMAIL: Andrew.Laflin@CLAconnect.com



Public Entities Crime Form

SWORN STATEMENT UNDER SECTION 287.133(3)(a), FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER
OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to CliftonLarsonAllen LLP
[print name of public entity]

By Andrew Laflin
[print individual's name and title]

For CliftonLarsonAllen LLP
[print name of entity submitting sworn statement]

whose business address is 201 North Franklin Street, Suite 2500, Tampa, FL 33602
and (if applicable) its Federal Employer Identification Number (FEIN) is 41-0746749 (If the
entity has no FEIN, include the Social Security Number of the individual signing this sworn statement:
_____.)

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any business with any public entity or with an agency or political subdivision of any other state or of the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" as defined in Paragraph 287.133 (1)(a), Florida Statutes, means:

1. A predecessor or successor of a person convicted of a public entity crime; or
2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with



a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. [indicate which statement applies.]

Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.


[signature]

Sworn to and subscribed before me this 29th day of August, 2017.

Personally known X

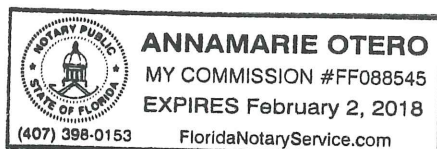
OR Produced identification _____ Notary Public - State of Florida

(Type of Identification)

My commission expires February 2, 2018

Annamarie Otero

(Printed typed or stamped Commissioned name of Notary Public)



This form must be completed and returned with your RFP submittal.

