



## A. Cover Page

November 20, 2023

Proposal to provide professional auditing services to:

### City of Key West, Florida

Prepared by:

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Direct 239-226-9903

**[CLAconnect.com](https://www.CLAconnect.com)**

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





CliftonLarsonAllen LLP  
CLAconnect.com

November 20, 2023

City Clerk  
City of Key West  
1300 White Street  
Key West, FL 33040

Dear City Clerk:

Thank you for inviting us to propose. We look forward to the opportunity to provide services to City of Key West (the City).

We are confident that our extensive experience serving similar governmental entities, bolstered by our client-oriented philosophy and depth of resources, will make CLA a top qualified candidate to fulfill the scope of your engagement. The following differentiators are offered for the City's consideration:

- **Industry-specialized insight and resources** – As one of the nation's leading professional services firms, and one of the largest firms who specialize in regulated industries, CLA has the experience and resources to assist the City with their audit needs. In addition to your experienced local engagement team, the City will have access to one of the country's largest and most knowledgeable pools of regulated industry resources.
- **OMB Uniform Guidance (UG) experience** – CLA performs single audits for hundreds of organizations annually, ranking top in the nation for the number of single audits performed by any CPA firm. The single audit requires a specific set of skills to properly perform the procedures. As such, we have developed a group of professionals who specialize in providing single audit services.
- **Strong methodology and responsive timeline** – In forming our overall audit approach, we have carefully reviewed the RFP and considered our experience performing similar work for other municipalities. Our local government clients are included amongst the more than 4,200 governmental organizations we serve nationally. Our staff understands your complexities not just from a compliance standpoint, but also from an operational point of view. We have developed a work plan that takes into consideration your unique needs as a governmental entity in Florida. The work plan also minimizes the disruption of your staff and operations and provides a blueprint for timely delivery of your required reports.
- **Communication and proactive leadership** – The City will benefit from a high level of hands-on service from our team's senior professionals. We can provide this level of service because, unlike other national firms, our principal-to-staff ratio is similar to smaller firms – allowing our senior level professionals to be involved and immediately available throughout the entire engagement process. Our approach helps members of the engagement team stay abreast of key issues at the City and take an active role in addressing them.
- **A focus on providing consistent, dependable service** – We differ from other national firms in that our corporate practice focuses on the needs of non-SEC clients, thus allowing us to avoid the workload compression typically experienced by firms that must meet public companies' SEC filing deadlines. CLA is organized into industry teams, affording our clients with specialized industry-specific knowledge supplemented by valuable local service and insight. Therefore, the City will enjoy the service of members of our state and local government services team who understand the issues and environment critical to governmental entities.

We want to serve you and we have the qualifications to deliver quality, timely work. Throughout this proposal, we take you on a journey outlining how we'll work together and the value you can come to appreciate when we exceed expectations. For ease of evaluation, the structure of our proposal follows your RFP section titled, 3.7.1. *Response Content*.

Please contact me if I can provide additional information on our firm or our proposal.

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in blue ink that reads "Christopher Kessler". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Christopher Kessler, CPA

Principal

239-226-9903

[chris.kessler@CLAconnect.com](mailto:chris.kessler@CLAconnect.com)

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## B. Information Page

Project Name	RFP #23-003 for Independent Auditing Services
Vendor Name	CliftonLarsonAllen LLP (CLA)
Contact Person	<p><b>Christopher (Chris) Kessler, CPA, Principal</b></p> <p>Address: 12800 University Drive, Suite 210, Fort Myers, FL 33907</p> <p>Phone: 239-226-9903   Fax: 239-226-9950</p> <p>Email: chris.kessler@CLAconnect.com</p>

Proposal Evaluation Criteria	
Category Breakdown	Page Location
<b>a) Firm Experience and Personnel</b>	
The firm’s demonstrated experience and performance on comparable municipal government engagements, including recognized ACFR awards of their clients.	6 and 28
The firm’s demonstrated ability to manage tasks simultaneously and expeditiously.	28
The quality of the firm’s professional personnel to be assigned to the engagement and the quality of the firm’s management support personnel to be available for technical questions.	11
Availability of qualified personnel assigned to the engagement.	29
Experience of staff assigned to the engagement regarding similar audits.	Appendix A
<b>b) Audit/Technical Approach</b>	
The firm’s approach to offering services required by this proposal, including schedule and workplan. The workplan should be made using resources of information as the City’s budget and related materials.	16
The firm’s approach to gain and document an understanding of the City’s internal control structure.	24
The firm’s approach to be taken in determining laws and regulations that will be subject to audit test work.	25
The firm’s approach to drawing audit samples for purposes of testing compliance.	25
The firm’s proposed timeline.	25
<b>c) Past Performance – References</b>	
The firm’s references provided for past performance.	14
<b>d) Proposed Price for Work to Be Accomplished</b>	
Proposer’s cost proposal will be evaluated on the Total Fee for all Contract Years	32

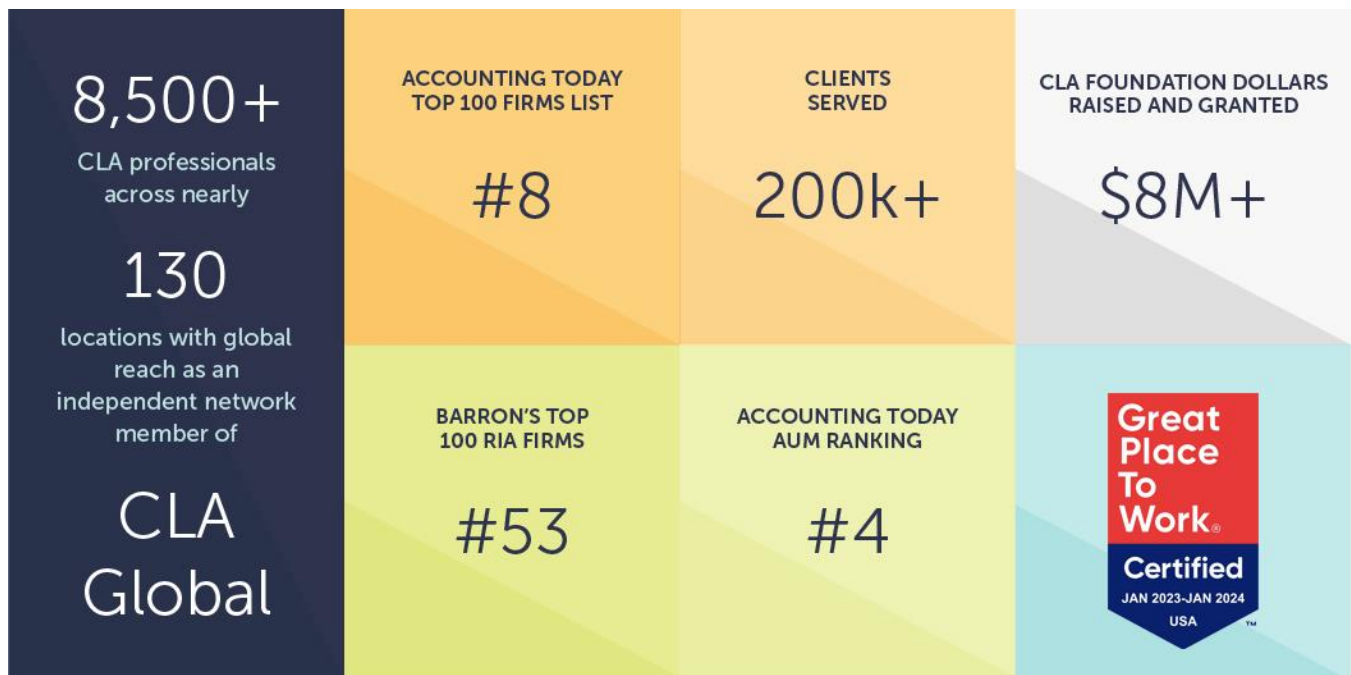


Insurance Requirements Exceptions	
Insurance Item	CLA Response
1.04	We don't provide copies of insurance policies.
1.15	Insurers don't provide notice of changes to the policy. CLA would have to do that, if applicable.
1.17	We don't use contractors.
Commercial General Liability Insurance, Bumbershoot policy	We don't have this coverage - it's specific to the maritime industry.
Business Automobile Liability Insurance	CLA does NOT own any vehicles, so our policy does not include owned vehicles, Just non-owned and hired.
Professional Liability Insurance	Our professional liability is on a claims made basis vs. occurrence based. This should read per claim.

## C. Firm Background

### Firm overview

It takes balance. With CLA by your side, you can find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go.



As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.



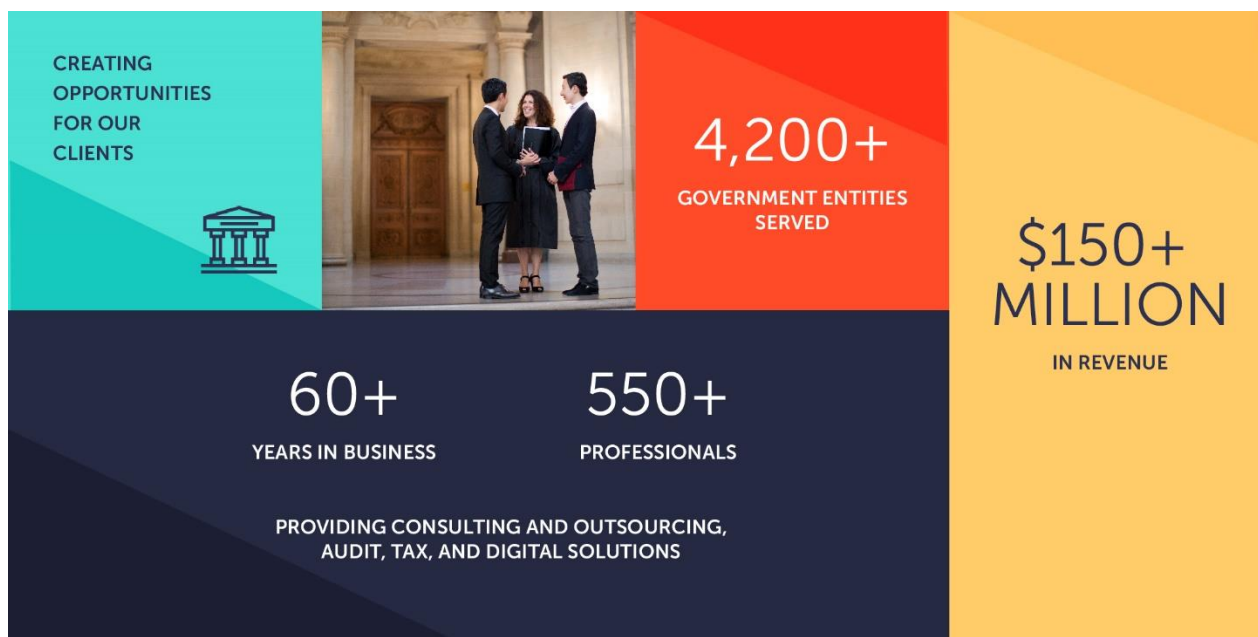


## State and local government experience

You can benefit from a close personal connection with a team of professionals devoted to governments. Our goal is to become familiar with all aspects of your operations — not just the information needed for the year-end audit so that we can offer proactive approaches in the areas that matter most to you:

- Finding new ways to operate more effectively and efficiently
- Responding to regulatory pressures and complexities
- Maintaining quality services in the face of revenue reductions
- Providing transparent, accurate, and meaningful financial information to stakeholders, decision-makers, and your constituents

We understand the legislative changes, funding challenges, compliance responsibilities, and risk management duties that impact you. Our experienced government services team can help you navigate the challenges of today, all while seamlessly strategizing for the future.



### Size of firm's governmental audit staff

With more than 550 professionals dedicated to our state and local government practice, CLA has one of the largest governmental audit and consulting practices in the country and brings extensive experience providing a variety of such services to state and local government entities. Our state and local government team serves more than 4,200 governmental engagements nationwide, including numerous cities, counties, municipalities, states and state agencies, and school boards. In addition, we perform single audits for hundreds of organizations annually, ranking top in the nation for the number of single audits performed by any CPA firm.

## Florida presence

Government organizations are a dynamic area of accounting and require constant attention and monitoring. It is our knowledge of your industry that is crucial to offering actionable recommendations. As a firm with more than 60 years of experience, we possess an extensive understanding of your challenges and can respond promptly and effectively to help meet them. We have served more than 70 different governmental entities statewide over the past two years in the state of Florida. All these governments issue financial statements in accordance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

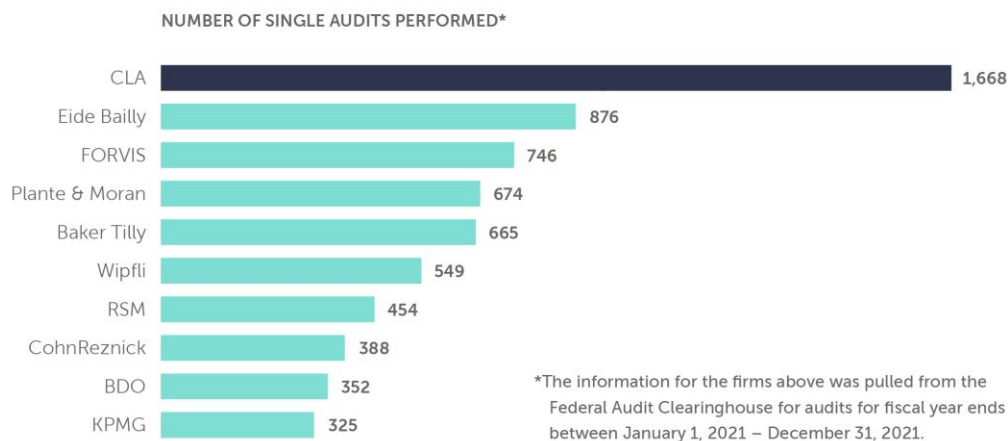
CLA has eight offices throughout the state of Florida including Naples, Fort Myers, Lakeland, Orlando, Sebring, St. Petersburg, Tampa, and Winter Haven. Our Florida governmental practice is made up of professionals throughout each of these offices, many of whom will be serving the City.

The professionals who will serve the City have a wealth of experience. We are extensively knowledgeable about the changing rules, regulations, standards and trends affecting municipalities and have the resources and insight to effectively perform your engagement in an efficient manner.

## Single audit experience

### CLA performs the largest number of single audits in the United States

**We audited nearly \$278 billion dollars in federal funds in 2021.** The chart below illustrates CLA's experience in serving organizations that receive federal funds and demonstrates our firm's dedication to serving the government and nonprofit industry.



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

Over 90% of our Florida municipal clients have been subject to the Florida Single Audit Act in the past three years, and your engagement team has significant experience in auditing the awards that SWFL governments typically receive. Our experience allows us to understand the compliance requirements and complexities of the Florida specific state projects and financial assistance, as they are consistent with the requirements of OMB's *Uniform Guidance*.





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

## Experience serving similar Florida clients

Below is a sampling of Florida governmental entities to which we have provided auditing, consulting, or outsourcing services.



### Sampling of Florida Clients Served

#### Florida Municipalities

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• City of Arcadia</li> <li>• City of Avon Park</li> <li>• City of Cape Coral</li> <li>• City of Brooksville</li> <li>• City of Fort Myers</li> <li>• City of Moore Haven</li> <li>• City of New Port Richey</li> </ul> | <ul style="list-style-type: none"> <li>• City of Safety Harbor</li> <li>• City of Sanibel</li> <li>• City of Temple Terrace</li> <li>• City of Winter Haven</li> <li>• Town of Fort Myers Beach</li> <li>• Town of Redington Beach</li> <li>• Village of Estero</li> </ul> |
|---|--|

#### Florida Counties

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Citrus County</li> <li>• Collier County</li> <li>• Desoto County</li> <li>• Glades County</li> <li>• Hardee County</li> <li>• Hernando County</li> <li>• Sarasota County</li> </ul> | <ul style="list-style-type: none"> <li>• Highlands County</li> <li>• Lee County</li> <li>• Manatee County</li> <li>• Okeechobee County</li> <li>• Pasco County</li> <li>• Pinellas County</li> <li>• Polk County</li> </ul> |
|--|---|

#### Other Florida Government Entities

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Avon Park Housing Authority</li> <li>• Bartow Housing Authority</li> <li>• Captiva Island Fire Control</li> <li>• Central Florida Regional Planning Council</li> <li>• Collier Mosquito Control</li> <li>• Clearwater Downtown Development Board</li> <li>• Delray Beach Housing Authority</li> <li>• Englewood Water District</li> <li>• Estero Fire District</li> <li>• Hardee County Industrial Development Auth.</li> <li>• Hardee County School Board Internal Funds</li> <li>• Hardee Soil and Water District</li> <li>• Heartland Library Cooperative</li> </ul> | <ul style="list-style-type: none"> <li>• Hillsborough Area Regional Transit Authority</li> <li>• Hillsborough County Aviation Authority</li> <li>• Key West Housing Authority</li> <li>• Lake Wales Housing Authority</li> <li>• Lee County Port Authority</li> <li>• Matlacha and Pine Island Fire Control</li> <li>• Moore Haven Mosquito Control District</li> <li>• Naples Airport Authority</li> <li>• Pasco County Housing Authority</li> <li>• Pinellas Construction Licensing Board</li> <li>• Pinellas County Planning Council</li> <li>• Pinellas County Metropolitan Planning Organization</li> <li>• Pinellas Suncoast Transit Authority</li> </ul> |
|--|---|



## Sampling of Florida Clients Served

- Hendry County School District Internal Funds
- Hernando County Housing Authority
- Herons Glen Recreation District
- Highlands County Health Facilities Authority
- Highlands County Hospital District
- Polk Regional Water Cooperative
- Sanibel Public Library District
- Sebring Airport Authority
- South Fork Community Development District
- Tampa Bay Area Regional Transportation Authority

Detailed staff client experience can be found in CLA’s staff biographies in [Appendix A](#).

## Firm size and structure

It takes balance. With CLA by your side, you can find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go.



As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.

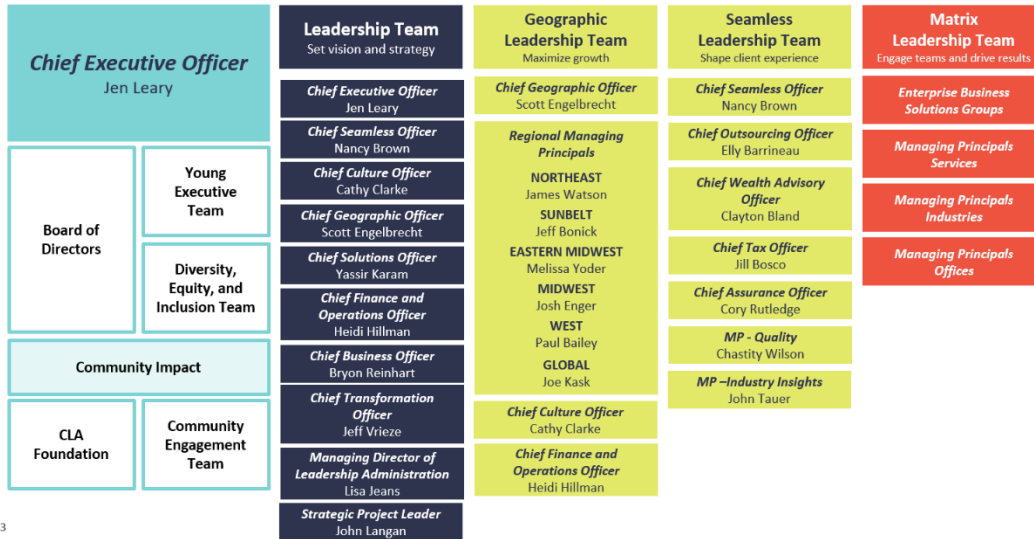
## Firm organizational structure

CLA is a national professional services firm built around three primary areas of focus — public accounting and consulting, wealth advisory, and outsourcing — all highly integrated and seamless in capabilities and delivery of services.

We have developed the credibility, reputation, and resources of a leading professional services firm while working hard to maintain the individualized service of a smaller firm. Our emphasis is on serving privately held businesses and their owners, as well as governmental and nonprofit organizations.



# Firm-wide 2023



## Location of management and license to practice

	CLA Fort Myers	CLA Naples
	12800 University Drive Suite 210 Fort Myers, FL 33907	4501 Tamiami Trail North Suite 200 Naples, FL 34103

National, statewide and local service capabilities CLA is a leading accounting firm, employing some of the most talented and knowledgeable industry professionals to give our clients an unsurpassed experience. Although we have nearly 130 locations throughout the U.S., we make it our mission to have local offices that serve our clients in an efficient manner.

### License to practice

CLA is a limited liability partnership and is duly licensed to practice public accountancy in the state of Florida. CLA is registered with the Secretary of State in all 50 states plus D.C., the U.S. Virgin Islands, and the Navajo Nation.



## Capability of experience and schedule capability

### Ability to manage tasks simultaneously and expeditiously

While our size and depth of resources allow us to conduct several audits at the same time, we also realize that the timely completion and issuance of the audit is an integral part of the overall service experience. The quality of the work may be exceptional, yet if it takes too long, the value of that service is lost. Conversely, we have seen the audit work completed in a very short period at the expense of quality.

Our goal is to begin the audit when the client is ready. We provide advance work letters, “to-do” lists, and whatever we can – up front – so that once the audit starts, it will be done efficiently and effectively. When we leave, we usually provide the audit entries for the client to post so they can run their internal departmental and other reports.

Once we leave the client, our goal is to issue the final audit reports according to your timetable. This requires a lot of coordination of activities with our clients, but we have found this to be a good balance in providing quality and timely services.

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 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 audit selection committee.

## 1.) Business affiliations

CLA (CliftonLarsonAllen LLP) is a limited liability partnership and is duly licensed to practice public accountancy in the state of Florida and other states.

The following are wholly-owned subsidiaries of CLA: CLA International, Inc. and CliftonLarsonAllen Wealth Advisors, LLC.

## 2.) Good standing

CLA and the supervising certified public accountants are in good standing and our firm does not have a record of substandard audit work.



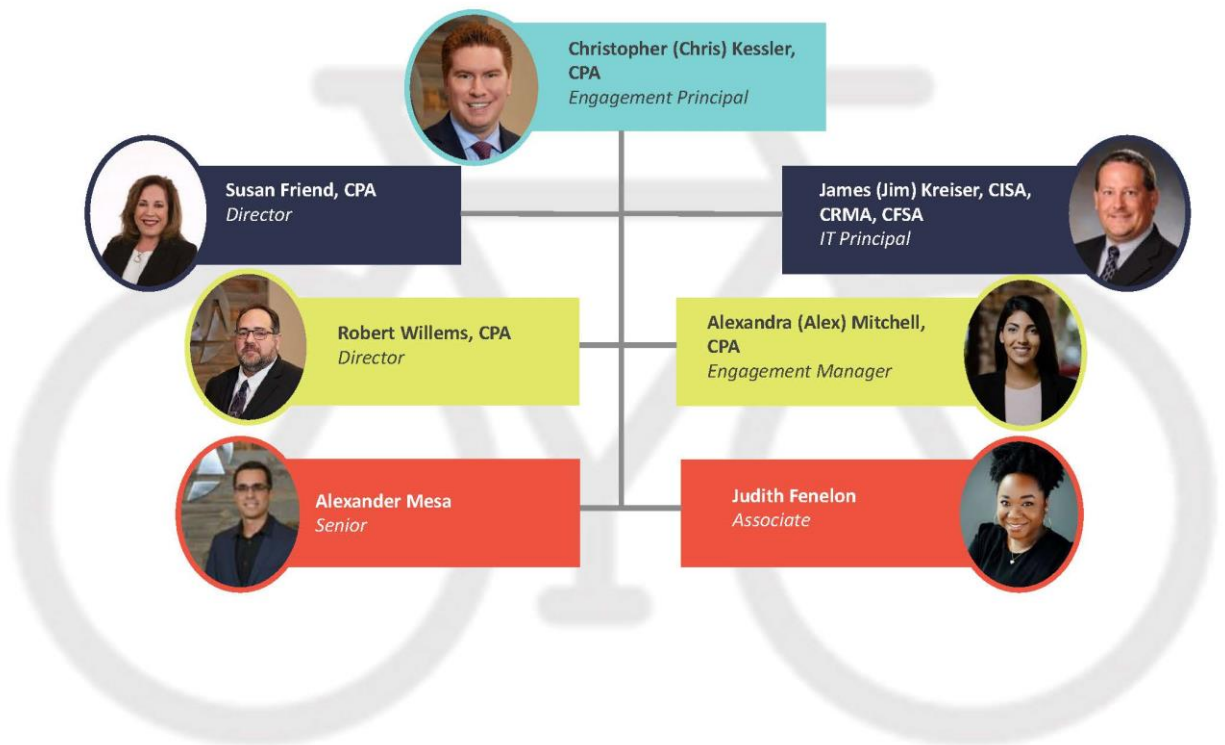
## D. Personnel

The true value in working with our team is your ability to develop a personal and professional relationship with leaders who understand your industry, challenges, and opportunities.

Your team will work directly with our team, with the full support of an entire CLA family behind it. Meet your service team leaders below and learn about the rest of the team in the appendix.

**Collaborative:** Support from a responsive local team complemented by national resources. We consider the whole of your organization, bringing innovative teams to the table.

### 1.) Organizational chart



Engagement Team Member	Role	Years' Experience
Christopher (Chris) Kessler, CPA	<b>Principal</b> – Chris will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. Chris is responsible for total client satisfaction through the deployment of all required resources and continuous communication with	15+



Engagement Team Member	Role	Years' Experience
	management and the engagement team. Chris will be your primary contact throughout the engagement.	
Susan Friend, CPA	<b>Quality Assurance Director</b> – Susan will complete the quality review of all work performed and of all audit reports prior to issuance. The focus of this review is to confirm adherence to industry and firm quality control guidelines and to make sure the work performed supports the audit opinions issued.	25+
Robert (Rob) Willems, CPA	<b>Director</b> – Rob will act as the lead director on the financial statement audit.. In this role, Rob will assist the engagement principal with planning the engagement and performing complex audit areas. He will perform a technical review of all work performed and is responsible for the review of annual comprehensive financial report and all related reports and deliverables. Rob will serve as the project manager throughout the engagement.	25+
Alexandra Mitchell, CPA	<b>Manager</b> – Alexandra will act as the lead manager on the single audit component of the engagement and serve as a back-up to Rob in the financial audit section of the engagement. In this role, Alexandra will assist the engagement principal with planning the engagement and performing complex audit areas. She will perform a technical review of all work performed and is responsible for the review of the related reports.	7+
Alexander Mesa	<b>Senior</b> – Alex will be responsible for the day-to-day activities for this engagement, including the supervision of all staff assigned.	4+
Judith Fenelon	<b>Associate</b> – Judith will assist in performing the auditing services for this engagement as outlined by the engagement principal.	2+
Jim Kreiser, CISA, CRMA, CFSA	<b>Information systems</b> – Jim will assist the audit team in documenting and evaluating general computer controls and IT application controls.	26+
<b>Additional staff</b> – We will assign additional staff to your engagement based on your needs and their experience providing services to similar clients. The staff assigned to your team will be from our 096 - Southwest Florida offices with state and local government as their industry focus at CLA.		





# E. Experience and References

## 1.) Relevant municipal references

Our clients say it best. And their independent, authentic perspective is invaluable in learning about the experience you’ll have when working with us. We encourage you to connect with our clients to hear it firsthand.

Key West Housing Authority	
Client Contact	Randy Sterling, Executive Director
Address	1400 Kennedy Drive, Key West, FL 33040
Phone   Email	305-296-5621
Project Information	<ul style="list-style-type: none"> <li>• <b>Project budget:</b> \$70,000</li> <li>• <b>Firm’s duties:</b> Audit of financial statements in accordance with Government Auditing Standards; OMB Uniform Guidance and the Florida Single Audit Act</li> <li>• <b>Firm’s compensation:</b> \$70,000</li> <li>• <b>Completion date:</b> Ongoing relationship from 2006 to present</li> </ul>

Collier County, Florida	
Client Contact	Derek Johnssen, Director of Finance and Accounting
Address	3299 Tamiami Trl. E, Suite 700, Naples, FL 34112
Phone   Email	239-252-7863   Derek.Johnssen@CollierClerk.com
Project Information	<ul style="list-style-type: none"> <li>• <b>Project budget:</b> \$500,000</li> <li>• <b>Firm’s duties:</b> Audit of financial statements in accordance with Government Auditing Standards; OMB Uniform Guidance and the Florida Single Audit Act; audit of separately issued Water and Sewer District and Community Redevelopment Agency financial statements; agreed-upon procedures</li> <li>• <b>Firm’s compensation:</b> \$500,000</li> <li>• <b>Completion date:</b> Ongoing relationship from 2013 to present</li> </ul>



Lee County, Florida	
Client Contact	Michele Crowell, Assistant Finance Director
Address	2115 Second Street, 1 <sup>st</sup> Floor, Fort Myers, FL 33901
Phone   Email	239-533-2183   mcrowell@leeclerk.org
Project Information	<ul style="list-style-type: none"> <li>• <b>Project budget:</b> \$550,000</li> <li>• <b>Firm's duties:</b> Audit of financial statements in accordance with Government Auditing Standards; OMB Uniform Guidance and the Florida Single Audit Act; audit of separately issued Port Authority (Southwest Florida International Airport) financial statements; agreed-upon procedures</li> <li>• <b>Firm's compensation:</b> \$550,000</li> <li>• <b>Completion date:</b> Ongoing relationship from 2011 to present</li> </ul>

City of Sanibel, Florida	
Client Contact	Steven C. Chaipel, CPA, Deputy City Manager/CFO
Address	800 Dunlop Road, Sanibel, FL 33957
Phone   Email	239-579-6270   steve.chaipel@mysanibel.com
Project Information	<ul style="list-style-type: none"> <li>• <b>Project budget:</b> \$95,000</li> <li>• <b>Firm's duties:</b> Audit of financial statements in accordance with Government Auditing Standards; OMB Uniform Guidance and the Florida Single Audit Act; Consulting for various accounting projects as requested; assistance in the preparation of the Annual Comprehensive Financial Report</li> <li>• <b>Firm's compensation:</b> \$95,000</li> <li>• <b>Completion date:</b> Ongoing relationship from 2008 to present</li> </ul>

**Transparent:** *We place honesty and integrity at the center of all communication. We welcome you to start an open and candid conversation with those who know us best.*



# F. Approach and Methodology

## 1.) Firm's approach

### The CLA seamless assurance advantage (SAA)

SAA is an innovative approach to auditing that utilizes leading technologies, analytics, and audit methods to help solve client problems and create a seamless experience.



### A different approach

SAA is unlike any conventional audit process. SAA does not depend on physical location. It reduces the time our professionals spend on site, creates fewer disruptions, enables more efficient use of resources (yours and ours), and allows for more impactful interactions with your people.



### Insights through analytics

CLA uses strategic data analysis to examine whole data sets to gain a deeper understanding of your organization. Insights that were once impossible can now come into focus to help you measure performance, enhance strategic decision making, and understand your competitive opportunities.



### Effective technology

CLA embraces technologies that help solve client problems and create a seamless experience. Assurance Information Exchange (AIE) is a web-based application developed by CLA to digitally request and obtain audit documents through a secure and efficient online portal.



## Financial statement audit approach



### *Phase 1: Planning and strategy*

The main objective of the planning phase is to identify significant areas and design efficient audit procedures.

- Conduct an entrance meeting – Chris and staff will meet with the City personnel to agree on an outline of responsibilities and time frames
  - Establish audit approach and timing schedule
  - Determine assistance to be provided by the City personnel
  - Discuss application of generally accepted accounting principles
  - Address initial audit concerns
  - Establish report parameters and timetables
  - Progress reporting process
  - Establish principal contacts
- Gain an understanding of your operations, including any changes in organization, management style, and internal and external factors influencing the operating environment
- 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 TeamMate Analytics and Expert Analyzer (TeamMate), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the City, and establish deadlines

We will document our planning through:

- **Entity profile** — This profile will help us understand the City's activities, organizational structure, services, management, key employees, and regulatory requirements.
- **Preliminary analytical procedures** — These procedures will assist in planning the nature, timing, and extent of auditing procedures that will be used to obtain evidential matter. They will focus on enhancing our understanding of the financial results and will be used to identify any significant transactions and events that have occurred since the last audit date, as well as to identify any areas that may represent specific risks relevant to the audit.
- **General risk analysis** — This will contain our overall audit plan, including materiality calculations, fraud risk assessments, overall audit risk assessments, effects of our IS assessment, timing, staffing, client assistance, a listing of significant provisions of laws and regulations, and other key planning considerations.

- **Account risk analysis** — This document will contain the audit plan for the financial statements, including risk assessment and the extent and nature of testing by assertion.
- **Prepared by client listing** — This document will contain a listing of schedules and reports to be prepared by the City personnel with due dates for each item.
- **Assurance Information Exchange (AIE)** — CLA uses a secure web-based application to request and obtain documents. This application allows clients to view detailed information, including due dates for all items CLA is requesting. Clients can attach electronic files and add commentary directly on the application.

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

Using the information we have gathered and the risks identified, we will produce an audit program specifically tailored to the City that will detail the nature and types of tests to be performed. We view our programs as living documents, subject to change as conditions warrant.

### *Phase 2: Systems evaluation*

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

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

We will test controls over certain key cycles, not only to gather evidence about the existence and effectiveness of internal control for purposes of assessing control risk, but also to gather evidence about the reasonableness of an account balance. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality.

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

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

We will finalize our audit programs during this phase. We will also provide an updated prepared by client listing based on our test results and anticipated substantive testing.

During the internal control phase, we will also perform a review of general and application IS controls for applications significant to financial statements to conclude whether IS general controls are properly designed and operating effectively.

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



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

### *Phase 3: Testing and analysis*

The extent of our substantive testing will be based on results of our internal control tests. Audit sampling will be used only in those situations where it is the most effective method of testing.

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

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

### *Phase 4: Reporting and 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 Management Letter as defined in Section 10.554(1)(i), Rules of the Auditor General
- Independent Accountants' Report as required by Chapter 10.550, Rules of the Auditor General related to compliance with applicable Florida Statutes
- Agreed Upon Procedures Report as required by the Florida Department of Transportation for Section 5311 Program Procedures and for Public Transportation Joint Participation Agreements
- Schedule of Revenues and Expenditures for the U.S. Department of Navy (Fund 602). Fiscal year-end report due by January 31st.
- Written Communication to Those Charged with Governance, which includes the following areas:
  - Our responsibility under auditing standards generally accepted in the United States of America
  - Changes in significant accounting policies or their application
  - Unusual transactions
  - Management judgments and accounting estimates
  - Significant audit adjustments
  - Other information in documents containing the audited financial statements
  - Disagreements with the City
  - The City's consultations with other accountants
  - Major issues discussed with management prior to retention
  - Difficulties encountered in performing the audit
  - Fraud or illegal acts





Once the final reviews of working papers and financial statements are completed, our opinion, the financial statements, and management letter will be issued.

The City will be given a draft of any comments we propose to include in the management letter. Items not considered major may be discussed verbally with management instead of in the management letter. Our management letter will include items noted during our analysis of your operations.

We will make a formal presentation of the audit results to those charged with governance, if requested.

### Single audit approach

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

Grant compliance can be a confusing topic and many of our clients rely on their federal and state funding as a major revenue source, so it is important that they understand what these changes mean to their organization. As a leader in the industry CLA professionals are available to provide guidance and tools tailored to the City’s needs, and to assist in compliance with these rules.

The AICPA clarified auditing standard, AU-C 935 “Compliance Audits”, requires risk-based concepts to be used in all compliance audits including those performed in accordance with 2 CFR Part 200. Our risk-based approach incorporates this guidance.

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



#### *Phase 1: Risk assessment and planning*

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

We accomplish this by following the methodology below:

- Determine the threshold to distinguish between Type A and B programs, including the effect of any loans and loan programs
- Utilizing the preliminary Schedule of Expenditure of Federal Awards and State Financial Assistance, we will identify the Type A and significant Type B programs (25% of Type A threshold) in accordance with the *Uniform Guidance* and the Florida Single Audit Act
- 
- Identify the programs tested and the findings reported for the past two fiscal years. Determine and document the program risk based on the past two single audits
- Prepare and distribute Type B program questionnaires to determine risk associated with Type B programs
- Determine the major programs to be tested for the current fiscal year based on the previous steps
- Based on our determination of the major programs, we obtain the current year compliance supplement to aid in the determination of Direct and Material Compliance requirements, and customize the audit program accordingly
- Determine the preferred methods of communication during the audit

### *Phase 2: Major program testing*

We determine the programs to be audited based on the risk assessment performed in the planning phase. We perform the audit of the programs in accordance with UG and Florida State Single Audit Act.

To accomplish this, we perform the following:

- Schedule an introductory meeting and notify the City's management of the major programs for the current fiscal year
- Plan and execute the testing of the expenditures reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance
- Perform tests of compliance and internal controls over compliance for each major program identified
- Schedule periodic progress meetings to determine that schedules are adhered to and identify issues as they arise
- Conduct entrance and exit conference meetings with each grant manager

### *Phase 3: Final assessment and reporting*

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

Based on the final determination of the programs we perform the following:

- Identify Type A and significant Type B programs which were not previously identified
- Re-assess the risk and determine if we are required to audit additional programs
- Perform compliance testing at the entity wide level related to procurement and cash management requirements
- Perform testing to validate the status of prior year findings for those programs not selected for audit.
- Prepare the Schedule of Findings and Questioned Costs
- Conduct exit conference with the City's management to review drafts of required reports:
  - Independent Auditors' Report on Internal Control over financial reporting and on compliance and other matters based on an audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

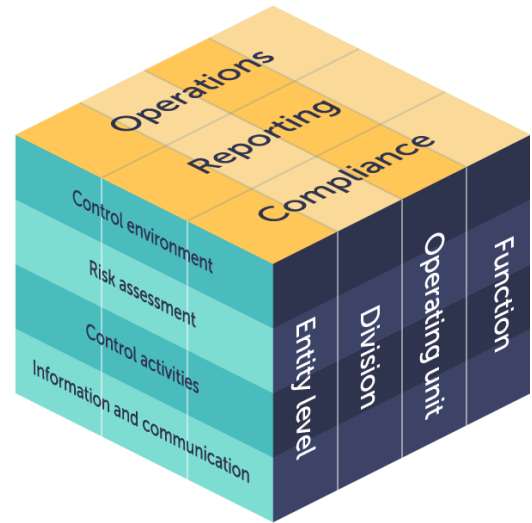


- Independent Auditor’s Report on Compliance for Each Major Federal Program, and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, along with the Schedule of Findings and Questioned Costs for Federal Awards and State Financial Assistance Projects

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

### Procedures used to understand internal processes and controls

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



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

Our audit approach is designed to evaluate and walk through the departmental internal controls in accordance with COSO concepts. Our procedures include a review of the overall control environment, determination of the adequacy of those procedures, and a walk through of the procedures to determine if they are functioning as designed.

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

Once we understand your operations, we will then identify control objectives for each type of control that is material to the financial statements. The next step will be to identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. We will then determine the nature, timing, and extent of our control testing.

## Engagement timeline



### *Proposed work plan*

Per our discussions we have designed a plan that meets your needs and key deadlines. In our planning meeting, we will discuss this timeline with you in greater detail and adjust as appropriate. This schedule will be adjusted for the first year based upon when the contract is executed.

Significant Milestones	Target Dates
Entrance conference	May
Interim audit work	June - July
Field audit work	December - January
Draft reports	February
Issuance of reports and financial statements attestation	No later than March 31
Exit conferences	No later than 14 days of audit completion
Presentation to audit selection committee	April
Presentation to board/management	April

## 2.) Deliverables

CLA understands the deliverables of the work to be performed as detailed under our audit approach section listed previously.

### Communication process

Effective communication is critical to a successful engagement. This includes weekly status meetings where observations, potential exceptions, and leading practices are discussed. To avoid surprises at the end of the engagement, we discuss and document our observations, clarify fact patterns, and confirm management's understanding and agreement with our findings.

CLA adheres to all auditing standards related to reporting observations, recommendations, and findings. All significant deficiencies and material weaknesses will be reported to the audit committee/governance in writing. Best practices, observations, and other matters will be reported to management in a management letter that can be used as a tool to track the implementation of our recommendations.

**Report to those charged with governance** — In addition to observations and recommendations, we will inform the audit committee of:

- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments and passed adjustments, if any
- Disagreements with management, if any



- Management consultation with other accountants, if any
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

We are sensitive and understanding of the fact that we report to those charged with governance, and our audit professionals maintain objectivity and independence in issuing audit opinions. If we identify significant fraud, illegal acts, or significant delays during the audit process, we will alert the audit committee immediately.

Information related to overall fiscal health or other concerns of your organization observed during audit testing will be presented in the exit presentation and as part of the management letter. We will also help you create opportunities for improvement through recommendations and suggestions for strengthening your policies, accounting procedures, and processes.

### 3.) Value add strategies

You can benefit from a close personal connection with a team of professionals devoted to governments. Our goal is to become familiar with all aspects of your operations — not just the information needed for the year-end audit so that we can offer proactive approaches in the areas that matter most to you:

- Finding new ways to operate more effectively and efficiently
- Responding to regulatory pressures and complexities
- Maintaining quality services in the face of revenue reductions
- Providing transparent, accurate, and meaningful financial information to stakeholders, decision-makers, and your constituents

We understand the legislative changes, funding challenges, compliance responsibilities, and risk management duties that impact you. Our experienced government services team can help you navigate the challenges of today, all while seamlessly strategizing for the future.

### 4.) Additional attributes

#### GFOA certificate of achievement

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



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

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

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

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

The table below identifies the professionals who are currently members of the GFOA Special Review Committee together with their length of service with the Committee.

Name	Title	Location	Years Served
<b>Christopher Kessler, CPA</b>	<b>Principal</b>	<b>Fort Myers/Naples, FL</b>	<b>4+</b>
Robert J. Callanan, CPA	Principal	Irvine, CA	10+
Julie S. Fowler, CPA	Signing Director	Sebring, FL	10+
Richard Gonzalez, CPA	Principal	Roseville, CA	10+
Michelle Hoffman, CPA	Principal	Minneapolis, MN	6+
Christopher G. Knopik, CPA, CFE	Principal	Minneapolis, MN	7+
Jacob S. Lenell, CPA	Principal	Milwaukee, WI	12+
Daphnie Munoz, CPA	Principal	Irvine, CA	10+
Remi Omisore, CPA	Principal	Baltimore, MD	11+
Nitin Patel, CPA	Principal	Irvine, CA	10+
Jeffrey Peek, CPA	Principal	Roseville, CA	4+
Sue Pessano, CPA	Director	Tampa, FL	1+





Name	Title	Location	Years Served
Shannon D. Small, CPA, MPA	Signing Director	Wauwatosa, WI	3+
Miranda Wendlandt, CPA, CFE	Principal	Alexandria, MN	5+

### Workload distribution

CLA has a very balanced practice. Our revenue is generated evenly throughout the year, so we don't experience the workload compression - which leads to missed deadlines - that most other firms have every year. We are a well-rounded firm with the ability to be more selective with our clients than other firms; our dedicated professionals are working year-round so we are always available.

### Availability of personnel assigned to the engagement and professional services philosophy

**We exist to create opportunities — for our clients, our people, and our communities. This is the groundwork of everything we do.**

Working with and being available for our clients during the year are mutually beneficial. We believe consistent, healthy communication is the foundation to any successful relationship, and we will engage in this type of communication from the start of your engagement to project completion as well as throughout the year. Your contact will be a principal, not a staff person, so you will have a direct line to the firm's leadership and industry resources.

While not required by auditing standards, CLA's internal quality control standards mandate a concurring/independent review be performed on all financial statement opinion audits. A principal independent of your audit and knowledgeable about your industry performs this review. Because we work with so many similar clients throughout the country, we have dozens of qualified principals who are able to perform this review. In addition, because we are paperless and wireless, this review can happen at anytime from anywhere in the world.

We do not audit publicly traded companies (other than bank holding companies), so while other firms are pressing to meet SEC reporting deadlines, we are serving our clients. Because you are our primary focus, your team has industry knowledge and experience.

Lastly, CLA also has a very balanced practice. Our revenue is generated evenly throughout the year, so we don't experience workload compression that most other firms have every year. CLA is a well-rounded firm with the ability to be more selective with our clients than other firms; our dedicated professionals are working year-round so we are always available when you need us to be.



## Deep industry connections

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

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

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

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

## Insight to strengthen your organization

When you’re ready to go beyond the numbers to find value-added strategies, we offer resources to help you respond to challenges and opportunities including:

- [National webinars](#) — Access complimentary professional development opportunities for your team.
- [Articles and white papers](#) — Stay current on industry information as issues arise.

***Curious: We care, we listen, we get to know you.***



# G. Price Proposal Form

## Professional fees

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 strategies. As part of our fee, we propose to hold routine, proactive quarterly meetings to review and discuss the impact of new accounting issues and other business issues you are facing. We'll help you decide how to handle challenges as they come up — and take advantage of every potential opportunity.

YEAR #	AUDIT PERIOD ENDING	TOTAL PROJECTED HOURS	TOTAL FEE
Initial 5 Year Term			
1	September 30, 2023	840	\$143,850
2	September 30, 2024	840	\$148,165
3	September 30, 2025	840	\$152,600
4	September 30, 2026	840	\$157,200
5	September 30, 2027	840	\$161,900
Additional Two-Year Contract Extension			
6	September 30, 2028	840	\$166,750
7	September 30, 2029	840	\$171,750

Our clients don't like fee surprises. Neither do we. We commit to:

- Being available for brief routine questions at no additional charge.
- Investing heavily in technology to enhance the client experience, protect our data environment, and deliver quality services.
- Transparency and fairness in our fee structure and discussions.
- Mutual, up-front agreement on any additional charges not discussed in this proposal.



## Fee considerations

Our fees will be influenced by the following circumstances:

- The City personnel will help periodically throughout the year and during the assurance fieldwork regarding account analysis and provision of year-end account reconciliation workpapers and schedules.
- The assurance reports will be delivered in accordance with the City's deadlines.
- Satisfactory completion of our firm's normal client acceptance procedures.
- Professional standards and regulations currently in effect. We reserve the right to modify your proposed fee if professional standards or regulations change for any engagement period, dependent upon the level of audit effort required as a result of the standard and regulation impact on audit procedures.
- CLA will not provide consent letters for the use of our audit opinion when the City issues bonds. Should the City require a consent letter, a fee will be negotiated at that time. Consent letters are not required for your bond issuance and we can work with you on language to insert with your financial statements indicating that no work has been performed in connection with the bond issuance.
- Contrary to your RFP, this fee does not take into account the impact of all issued GASB's that have not been implemented by the City before the 2023 financial statement year. The City did not provide information to allow bidders to adequately determine the scope and level of effort of the City's implementation, and therefore it would not be appropriate to provide a fixed cost related these accounting and auditing changes with incomplete information. We will negotiate these fees separately depending upon the level of effort required to perform audit procedures over this area. No significant changes in the operations of the City after the date of this proposal.

## Billing for phone calls and questions

It is not our policy or practice to bill our clients every time we receive a phone call or email. While providing our services, we will regularly consult regarding accounting, financial reporting, and significant business issues. If a specific project is complex or requires significant time or resources, we will discuss the scope of the project and its fee with you first.



**Our last word on fees — we are committed to serving you. Therefore, if fees are a deciding factor in your selection of an accounting firm, we would appreciate the opportunity to discuss our scope of services.**

**At CLA, it's more than just getting the job done.**

# H. Sworn Statements and Affidavits


## ANTI-KICKBACK AFFIDAVIT

STATE OF Florida )

: SS

COUNTY OF Lee )

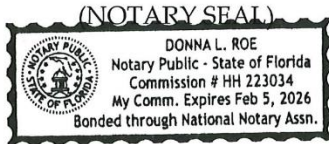
I, the undersigned hereby duly sworn, depose and say that no portion of the sum herein bid will be paid to any employees of the City of Key West as a commission, kickback, reward, or gift, directly or indirectly by me or any member of my firm or by an officer of the corporation.

By: 

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization, this day of, 2023, by Christopher Kessler  
October 20



(Signature of Notary Public- State of Florida)



\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

Pursuant to City of Key West Code of Ordinances Section 2-773 (attached below)

STATE OF Florida )

: SS

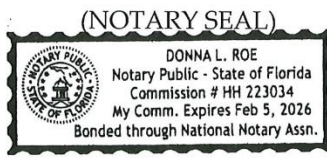
COUNTY OF Lee )

I, the undersigned hereby duly sworn, depose and say that all owner(s), partners, officers, directors, employees, and agents representing the firm of CLA have read and understand the limitations and procedures regarding communications concerning City of Key West Code of Ordinances Sec. 2-773 Cone of Silence (attached).

By: *Christopher Kessler*

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization, this day of, 2023, by Christopher Kessler  
October 20

*Donna L. Roe*  
(Signature of Notary Public- State of Florida)



\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

Sec. 2-773. Cone of Silence.





**EQUAL BENEFITS FOR DOMESTIC PARTNERS AFFIDAVIT**

STATE OF Florida )

: SS

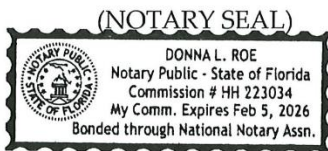
COUNTY OF Lee )

I, the undersigned hereby duly sworn, depose and say that the firm of CLA provides benefits to domestic partners of its employees on the same basis as it provides benefits to employees' spouses, per City of Key West Code of Ordinances Sec. 2-799.

By: *Christopher Kessler*

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization, this day of, 2023, by *Christopher Kessler* *October 20*

*Donna L. Roe*  
(Signature of Notary Public- State of Florida)



\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

**CONE OF SILENCE AFFIDAVIT**

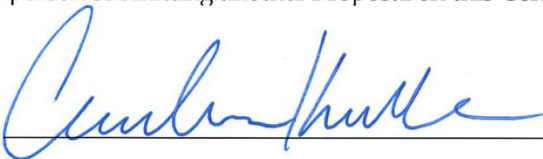
**NON-COLLUSION AFFIDAVIT**

STATE OF Florida )

: SS

COUNTY OF Lee )

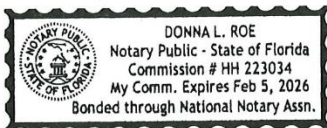
I, the undersigned hereby declares that the only persons or parties interested in this Proposal are those named herein, that this Proposal is, in all respects, fair and without fraud, that it is made without collusion with any official of the Owner, and that the Proposal is made without any connection or collusion with any person submitting another Proposal on this Contract.

BY: 

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization, this day of, 2023, by Christopher Kessler  
October 20

  
(Signature of Notary Public- State of Florida)

(NOTARY SEAL)



\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

PROPOSER agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, City's Consultant, agents, servants and employees, including volunteers, from and against any and all claims, debts, demands, expense and liability arising out of injury or death to any person or the damage, loss of destruction of any property which may occur or in any way grow out of any act or omission of the PROPOSER, its agents, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the City as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, agents, servants and employees. The PROPOSER agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent. The City of Key West does not waive any of its sovereign immunity rights, including but not limited to, those expressed in Section 768.28, Florida Statutes. PROPOSER understands and agrees that any and all liabilities regarding the use of any subcontractor for services related to this agreement shall be borne solely by the PROPOSER. Ten dollars of the consideration paid by the City is acknowledged by PROPOSER as separate, good and sufficient consideration for this indemnification. This indemnification shall be interpreted to comply with Section 725.06 and 725.08, Florida Statutes.

These indemnifications shall survive the term of this agreement. In the event that any action or proceeding is brought against the City of Key West by reason of such claim or demand, PROPOSER shall, upon written notice from the City of Key West, resist and defend such action or proceeding by counsel satisfactory to the City of Key West.

The indemnification provided above shall obligate PROPOSER to defend at its own expense to and through appellate, supplemental or bankruptcy proceeding, or to provide for such defense, at the City of Key West's option, any and all claims of liability and all suits and actions of every name and description covered above which may be brought against the City of Key West whether performed by PROPOSER, or persons employed or utilized by PROPOSER.

The PROPOSER's obligation under this provision shall not be limited in any way by the agreed upon Contract Price as shown in this agreement, or the PROPOSER's limit of or lack of sufficient insurance protection.

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PROPOSER: CliftonLarsonAllen LLP (CLA)

Address 12800 University Drive, Suite 210

Fort Myers, FL 33907

Signature *Christopher Kessler*

Christopher Kessler, CPA  
Print Name

10/20/2023  
Date

Principal  
Title

NOTARY FOR THE PROPOSER

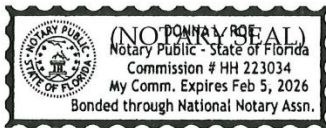
STATE OF Florida

COUNTY OF Lee

The foregoing instrument was acknowledged before me by means [] physical presence or [] online notarization, this day of, 2023, by Christopher Kessler  
October 20

*Donna L. Roe*

(Signature of Notary Public- State of Florida)



\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

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

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

1. This sworn statement is submitted with Bid or Proposal for RFP#23-003 for  
Independent Audit Services

2. This sworn statement is submitted by: CliftonLarsonAllen LLP (CLA)  
(Name of entity submitting sworn statement)

whose business address is: 12800 University Drive, Suite 210

Fort Myers, FL 33907

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)

3. My name is Christopher Kessler, CPA  
(Please print name of individual signing)

and my relationship to the entity named above is: Principal

4. 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 public entity or with an agency or political subdivision of any other state or with the United States, including but not limited to, any bid or contract for goods or services to be provided to any public or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, material misrepresentation.

5. 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 information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

6. 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 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.

7. I understand that a "person" as defined in Paragraph 287.133(1)(8), 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 public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. 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, or any of its 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 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.

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 ONE (1) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 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 THE CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Christopher Kessler  
(Signature)

10/20/2023  
(Date)

STATE OF Florida

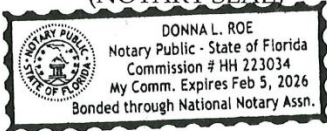
COUNTY OF Lee

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization, this day of, 2023, by Christopher Kessler  
October 20

Donna L. Roe

(Signature of Notary Public- State of Florida)

(NOTARY SEAL)



\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known X OR Produced Identification \_\_\_\_\_


Type of Identification Produced \_\_\_\_\_

**SCRUTINIZED COMPANIES LISTS**

Respondent Vendor Name: <u>CliftonLarsonAllen LLP (CLA)</u>	
Vendor FEIN: <u>41-0746749</u>	
Vendor's Authorized Representative Name and Title: <u>Christopher Kessler, CPA</u>	
Address: <u>12800 University Drive, Suite 210</u>	
City: <u>Fort Myers</u>	State: <u>Florida</u> Zip: <u>33907</u>
Phone Number: <u>239-226-9903</u>	<u>chris.kessler@CLAconnect.om</u>
Email Address: <u>chris.kessler@CLAconnect.com</u>	

Section 287.135(2)(a), Florida Statutes, prohibits a company from bidding on, submitting a proposal for, or entering into or renewing a contract for goods or services of any amount if, at the time of contracting or renewal, the company is on the Scrutinized Companies that Boycott Israel List, created pursuant to section 215.4725, Florida Statutes, or is engaged in a boycott of Israel. Section 287.135(2)(b), Florida Statutes, further prohibits a company from bidding on, submitting a proposal for, or entering into or renewing a contract for goods or services over one million dollars (\$1,000,000) if, at the time of contracting or renewal, the company is on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, both created pursuant to section 215.473, Florida Statutes, or the company is engaged in business operations in Cuba or Syria.

As the person authorized to sign on behalf of Respondent, I hereby certify that the company identified above in the section entitled "Respondent Vendor Name" is not listed on either the Scrutinized Companies that Boycott Israel List, Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List I understand that pursuant to section 287.135, Florida Statutes, the submission of a false certification may subject such company to civil penalties, attorney's fees, and/or costs and termination of the contract at the option of the awarding governmental entity.

Certified By: <u>Christopher Kessler, CPA</u>	<u>Principal</u>
<i>Print Name</i>	<i>Print Title</i>
who is authorized to sign on behalf of the above referenced company.	
Authorized Signature: <u></u>	

**CITY OF KEY WEST INDEMNIFICATION FORM**



PROPOSER agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, City's Consultant, agents, servants and employees, including volunteers, from and against any and all claims, debts, demands, expense and liability arising out of injury or death to any person or the damage, loss of destruction of any property which may occur or in any way grow out of any act or omission of the PROPOSER, its agents, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the City as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, agents, servants and employees. The PROPOSER agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent. The City of Key West does not waive any of its sovereign immunity rights, including but not limited to, those expressed in Section 768.28, Florida Statutes. PROPOSER understands and agrees that any and all liabilities regarding the use of any subcontractor for services related to this agreement shall be borne solely by the PROPOSER. Ten dollars of the consideration paid by the City is acknowledged by PROPOSER as separate, good and sufficient consideration for this indemnification. This indemnification shall be interpreted to comply with Section 725.06 and 725.08, Florida Statutes.

These indemnifications shall survive the term of this agreement. In the event that any action or proceeding is brought against the City of Key West by reason of such claim or demand, PROPOSER shall, upon written notice from the City of Key West, resist and defend such action or proceeding by counsel satisfactory to the City of Key West.

The indemnification provided above shall obligate PROPOSER to defend at its own expense to and through appellate, supplemental or bankruptcy proceeding, or to provide for such defense, at the City of Key West's option, any and all claims of liability and all suits and actions of every name and description covered above which may be brought against the City of Key West whether performed by PROPOSER, or persons employed or utilized by PROPOSER.

The PROPOSER's obligation under this provision shall not be limited in any way by the agreed upon Contract Price as shown in this agreement, or the PROPOSER's limit of or lack of sufficient insurance protection.

[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

PROPOSER: CliftonLarsonAllen LLP (CLA)

Address 12800 University Drive, Suite 210

Fort Myers, FL 33907

Signature *Christopher Kessler*

Christopher Kessler, CPA

Print Name

10/20/2023  
Date

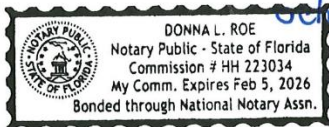
Principal  
Title

NOTARY FOR THE PROPOSER

STATE OF Florida

COUNTY OF Lee

The foregoing instrument was acknowledged before me by means [] physical presence or [] online notarization, this day of, 20 23, by Christopher Kessler



October 20,

Donna L. Roe  
(Signature of Notary Public- State of Florida)

(NOTARY SEAL)

Donna L. Roe  
(Name of Notary Typed, Printed, or Stamped)

Personally Known  OR Produced Identification

Type of Identification Produced \_\_\_\_\_

# Appendix



## A. Your service team







# Christopher (Chris) Kessler, CPA

CLA (CliftonLarsonAllen LLP)

Principal  
Fort Myers, Florida

239-226-9903  
chris.kessler@CLAconnect.com



## Profile

Chris Kessler is a principal with CLA's state and local government services team. Chris has more than 15 years of experience in working with state and local governments throughout the country, including states, counties, municipalities, and state-wide municipal pension plans.

## Technical experience

- Proficient knowledge of Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), governmental accounting, and Generally Accepted Governmental Auditing Standards (GAGAS)
- Member of the GFOA Special Reviewer Committee for the GFOA's Certificate of Achievement for Excellence in Financial Reporting Program

## Education and professional involvement

- Bachelor of science in accounting from University of South Carolina, Columbia, South Carolina
- Bachelor of science in finance from University of South Carolina, Columbia, South Carolina
- Certified Public Accountant licensed in South Carolina, Florida, Maryland, and Vermont
- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- Government Finance Officers Association
- Florida Government Finance Officers Association

## Key relevant clients

- City of Fort Myers, Florida
- City of Cape Coral, Florida
- City of Sanibel, Florida
- Collier County, Florida
- Glades County, Florida
- Sarasota County, Florida
- Lee County Port Authority (Southwest Florida International Airport)
- Lee County, Florida
- Town of Fort Myers Beach, Florida
- Village of Estero, Florida
- Baltimore City Public Schools
- Buncombe County, North Carolina
- Charleston County School District





## Susan Friend, CPA

### CLA (CliftonLarsonAllen LLP)

Director, National Assurance Technical Group  
Naples, Florida

239-262-7343  
susan.friend@CLAconnect.com



### Profile

Susan has more than 25 years of experience in public accounting focusing in the government sector. She works in the national assurance technical group where her focus is in the state and local government industry. Susan's responsibilities include assisting engagement teams with complex accounting and financial reporting issues and performing second reviews on governmental engagements. Susan is also a member of the firm's GASB GAAP implementation task force.

Prior to joining CLA, Susan was a national assurance director for national accounting firm where she performed engagement quality reviews, researched and disseminated information related to GASB pronouncements, delivered assurance training courses and developed tools and templates to assist audit teams and enhance efficiency. She has also served as the director of the accounting division for Broward County, Florida, where she was responsible for establishing accounting policies to confirm compliance with GASB pronouncements, as well as the coordination of the annual audit process and the preparation of the County's Comprehensive Annual Financial Report. Prior to this experience, Susan was an audit partner for large governmental audit engagements in New York State and South Florida.

Susan is currently a member of the AICPA State and Local Government Expert Panel and has recently served on the Florida Institute of Certified Public Accountants State and Local Government Committee and the Florida Government Finance Officers Association Technical Resources Committee. Susan has also served on the GASB Financial Reporting Model Task Force and is a former member of the Government Finance Officers Association Committee on Accounting, Auditing and Financial Reporting.

### Technical experience

- State and local government

### Education and professional involvement

- Bachelor of science in accounting, Fairleigh Dickinson University
- American Institute of Certified Public Accountants
- Certified Public Accountant in Florida and New York State
- Florida Institute of Certified Public Accountants
- Florida Government Finance Officers Association
- Government Finance Officers Association





# Robert Willems, CPA

## CLA (CliftonLarsonAllen LLP)

Director  
Fort Myers, Florida

239-226-9908  
robert.willems@CLAconnect.com



### Profile

Rob is an engagement director in the State & Local Government Group of CLA. His duties, from a client perspective, consist of leading audit planning sessions, performing a detailed review of all work performed, leading discussions and seeking resolution to all material issues affecting an entity, and ensuring that quality services are delivered to clients on or before specified due dates.

### Education and professional involvement

- Master of accounting from the University of Florida
- Bachelor of science in accounting from the University of Florida
- Certified Public Accountant licensed by the State of Florida
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association (GFOA)
- Florida Government Finance Officers Association (FGFOA)

### Technical experience

Rob has worked in public accounting since 1998, focusing primarily on auditing. He has served many government and nonprofit entities and has performed federal and state single audits for his government and nonprofit clients, including the following:

- Glades County
- City of Cape Coral\*
- City of Fort Myers\*
- City of Moore Haven
- City County Public Works Authority
- City of Naples Airport Authority\*
- Several Fire Protection & Rescue Districts
- CaPFA Capital Corp 2000F (University of Central Florida student housing)
- City of Sanibel\*
- Collier Mosquito Control District
- Manatee County\*
- Sarasota County\*
- Town of Fort Myers Beach
- Village of Estero\*

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





# Alexandra Mitchell, CPA

**CLA (CliftonLarsonAllen LLP)**



Manager  
Naples, Florida

239-280-3510  
alex.mitchell@CLAconnect.com

## Profile

Alexandra is a manager for the state and local government services team at CLA. Alexandra has more than seven years in accounting and auditing experience. Alexandra has performed audits for a variety of clients before shifting the focus in her career to state and local governments where she provides guidance and services clients such as counties, cities, and other municipalities.

Alexandra is actively involved with the Greater Naples Chamber of Commerce and graduated from Associate Leadership Collier (Class of 2023) where she and her fellow participants explored local government, education, economic development, the arts and more. Through this program, Alexandra deepened her perspective on Collier County and her role and commitment to the community.

## Technical experience

- Proficient knowledge of Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), Generally Accepted Governmental Auditing Standards (GAGAS), and governmental accounting.

## Education and professional involvement

- Masters of accountancy in accounting from the University of West Florida, Pensacola, Florida
- Bachelor of science in accounting from Park University, Parkville, Missouri
- Certified Public Accountant in the state of Florida
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association (GFOA)
- Florida Government Finance Officers Association (FGFOA)

## Key relevant clients

- Buncombe County, North Carolina
- City of Fort Myers, Florida
- City of Cape Coral, Florida
- City of Sanibel, Florida
- Collier County, Florida
- Glades County, Florida
- Florida SouthWestern State College
- Lee County, Florida
- State College of Florida Collegiate School
- Village of Estero, Florida





# Alexander Mesa

**CLA (CliftonLarsonAllen LLP)**

Senior Associate  
Fort Myers, Florida

239-280-3515  
alexander.mesa@CLAconnect.com



## Profile

Alexander is a Senior with CLA's State and Local Government service team. Alex has experience working in audit and assurance services for state and local governments, including multiple municipalities, and counties throughout the State of Florida.

## Education and professional involvement

- Bachelor of science in accounting from Florida Gulf Coast, University

## Civic organizations

Alex currently sits as the Southwest Florida Chair for the Young Advisor Council at CLA - a diverse group of young leaders working to make an impact through innovative and meaningful initiatives that execute on CLA's local and firm-wide priorities.



# Judith Fenelon

## CLA (CliftonLarsonAllen LLP)



Associate  
Fort Myers, Florida

239-280-3507  
Judith.Fenelon@CLAconnect.com

### Profile

Judith is an associate with CLA’s State and Local Government service team. Judith has experience working in audit and assurance services for state and local governments, including multiple municipalities, and counties throughout the state of Florida.

### Technical experience

- Proficient knowledge of Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), governmental accounting, and Generally Accepted Governmental Auditing Standards (GAGAS)

### Education and professional involvement

- Bachelor of Science in Accounting from Florida Gulf Coast University, Fort Myers, FL
- American Institute of Certified Public Accountants
- Member of the Florida Institute of Certified Public Accountants

### Civic organizations

- Florida Gulf Coast University’s Accounting Society

[CLAconnect.com](https://www.claconnect.com)

CPAS | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAglobal.com/disclaimer](https://www.claglobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



## B. Quality control procedures and peer review report





In the most recent peer review report, dated November 2022, we received a rating of pass, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. *Our last two reports are provided on the following pages.*



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

## Report on the Firm's System of Quality Control

To the Principals of CliftonLarsonAllen LLP  
and the 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 May 31, 2022. 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 on 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 and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the Firm's system of quality control 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; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1<sup>®</sup> and SOC 2<sup>®</sup> engagements).

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

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, 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  
Charlotte, North Carolina  
November 18, 2022



## Report on the Firm's System of Quality Control

November 21, 2019

To the Principals of CliftonLarsonAllen LLP  
and the 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 May 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](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; audits of employee benefit plans; audits performed under FDICIA; audits of broker-dealers; and examinations of service organizations [SOC 1 and SOC 2 engagements].

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

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. CliftonLarsonAllen LLP has received a peer review rating of *pass*.

*Cherry Bekaert LLP*

Cherry Bekaert LLP