



February 29, 2024

Technical Proposal

RFP Number 24-009

City of Santa Ana, California

Prepared by:

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





A. Cover Letter

February 29, 2024

Alexander Trinidad, Assistant Director of Finance & Management Services
City of Santa Ana – Finance & Management Services
20 Civic Center Plaza
Santa Ana, CA 92701

Thank you for inviting us to propose. We look forward to the opportunity to continue providing services to the City of Santa Ana (the City). The enclosed proposal responds to your request for financial statement auditing services for the fiscal years ending June 30, 2024, 2025, and 2026, with the option of auditing its financial statements for the two subsequent fiscal years. CLA's extensive experience serving local governments in California and nationally – bolstered by our client-oriented philosophy – makes CLA the top qualified candidate to be your independent firm.

The following are just a few differentiators 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. We are proposing a uniquely structured engagement team to blend a fresh perspective while retaining historical knowledge to reduce the burden on the City.
- **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. 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.

Verification Statements

I, Kassie Radermacher, CPA, CFE, your engagement principal-in-charge, will serve as the City's primary contact person for this engagement. Furthermore, as a principal of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the City's RFP. This proposal is valid for a period of 180 days following the proposal deadline.

We are eager to continue working with you and welcome the opportunity to present our proposal to the City's management team. If you have any questions about our offerings, please do not hesitate to call me directly.

Sincerely,

CliftonLarsonAllen LLP

Kassie Radermacher, CPA, CFE
Principal



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B. Services Provided

Scope of work to be performed

Should CLA be selected to serve this engagement, we will perform the following proposed services within the time period specified in the RFP and as finalized in the planning stages of the engagement.

- Ongoing consultation throughout the year including, but not limited to, new pronouncements that may affect local government accounting, guidance on implementation of new GASB requirements, pronouncements, and specifics of federal and state regulations
- Recommendations and advice on complex and/or unfamiliar issues subject to differing interpretations
- Year-end audit including management letter and corresponding audit reports
- Single audit of federal grants to the City
- AQMD audit of the Air Quality Improvement Fund
- GANN Limit Agreed-Upon Procedures
- Compliance of the City's Investment Policy Agreed-Upon Procedures
- Measure X Examination
- REAC Financial Data Submission – Review & submission
- Preparation of the City's SCO Financial Transaction Report

Summary of benefits

The City will realize the following benefits from CLA's services:

- An objective look at your operations to help you make sound business decisions
- Credibility only an outside professional can provide to your governing body and constituencies
- Confidence that accounting principles have been evaluated for application accuracy
- An opportunity to improve internal controls and accounting procedures, which increases reliability of accounting records and financial statements
- Improved efficiency and effectiveness of the assurance service, thus adding value to the process while reducing disruption to your operations

C. Agreement Statement

We have reviewed the City's standard agreement which was provided as Exhibit A of the request for proposal. We have no exceptions except for the following noted below (strikethroughs indicate removals, red font indicates additions, and blue font indicates clarifications). Ultimately, we will work together with the City to come to a mutually agreeable resolution should any of the requested changes not be agreeable to the City.

RECITALS

C. In undertaking the performance of this Agreement, Auditor represents that it is knowledgeable in its field and that any services performed by Auditor under this Agreement will be performed in ~~compliance with such standards as may be reasonably be expected from a professional consulting firm in the field~~ **accordance with applicable professional standards.**

3. DELIVERY OF WORK PRODUCT – OWNERSHIP

Auditor warrants and represents that it has the absolute right to enter into and perform this Agreement and will perform its obligations hereunder in accordance with standards and practices prevailing in the industry. Auditor's contribution to the Project, including works to be produced by Auditor hereunder, will not infringe or misappropriate the proprietary or personal rights of any third person or party. Auditor shall deliver to City any work product which results from the services provided **and which has been paid for in full**. Said work product shall be submitted in hard copy and produced in a form compatible with City's information systems, as agreed between the Project Manager and Auditor.

In regard to all material produced as a deliverable under this Agreement, including but not limited to records, papers, drawings, specifications, programs, systems and other materials prepared by Auditor, Auditor agrees, for itself and its affected officers, employees, agents, contractors, and volunteer workers, that (a) other such material shall be the property of the City, and may not be copyrighted without prior review from the City, and (b) the authors of all such material, whether copyrighted or not, award to the City, and to its officers, agents and employees acting within the scope of their official duties, as a condition of payment to the Auditor, a royalty-free, nonexclusive, irrevocable license throughout the world for governmental purposes to disclose, publish, translate, reproduce, and use such materials. **For the avoidance of doubt, records as identified in this section does not include Auditor's workpapers which are proprietary information and access is restricted.**

7. INSURANCE

4. Professional Liability (Errors and Omissions): Insurance appropriate to the Auditor's profession, with limit no less than \$1,000,000 per ~~occurrence or~~ claim, \$2,000,000 aggregated.

8. INDEMNIFICATION

Auditor agrees to defend, and shall indemnify and hold harmless the City, and its officers and employees from liability: (1) for personal injury, damages, just compensation, restitution, judicial or equitable relief arising out of claims for personal injury, including death, and claims for property damage, which may **directly** arise from the ~~negligent operations~~ **gross negligence or willful misconduct** of the Auditor, its subcontractors, agents, employees, or other persons acting on its behalf which relates to the services described in section 1 of this Agreement; and (2) from any claim that personal injury, damages, just compensation, restitution, judicial or equitable relief is due by reason of any breach of the terms of this Agreement. This indemnity and hold harmless agreement applies to all claims for damages, just compensation, restitution, judicial or equitable relief suffered, or alleged to have been suffered, by reason of the negligent acts referred to in this Section or by reason of the breach of the terms of this Agreement. The Auditor further agrees to indemnify, hold harmless, and pay all costs for the defense of the City, including fees and costs for special counsel to be selected by the City, regarding any action by a third party challenging the validity of this Agreement, or asserting that personal injury, damages, just compensation, restitution, judicial or equitable relief due to personal or property rights arises by reason of the terms of, or effects arising from this Agreement. City may make all reasonable decisions with respect to its representation in any legal proceeding. Notwithstanding the foregoing, to the extent Auditor's services are subject to Civil Code Section 2782.8, the above indemnity and defense obligation shall be limited to the extent provided by Civil Code Section 2782.8, and to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Auditor. **Auditor's indemnification obligations under this section shall not extend to claims arising from the sole negligence or willful misconduct of the City, and its officers and employees.**

14. TERMINATION

This Agreement may be terminated by ~~the City~~ **either party** upon thirty (30) days written notice of termination **to the other party**. In such event, Auditor shall be entitled to receive and the City shall pay Auditor compensation for all services performed by Auditor prior to receipt of such notice of termination, subject to the following conditions:

a. As a condition of such payment, the Executive Director may require Auditor to deliver to the City all work product(s) completed as of such date **which have been paid for in full**, and in such case such work product shall be the property of the City unless prohibited by law, and Auditor consents to the City's use thereof for such purposes as the City deems appropriate.

Additional language to be added to the contract:

Consultant’s services cannot be relied upon to disclose all errors, fraud, or noncompliance with laws and regulations. Except as described in this Agreement or any applicable SOW, Consultant has no responsibility to identify and communicate deficiencies in CITY’S internal controls as part of any services.

Time limitations

The nature of Consultant’s services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between CITY and Consultant. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this Agreement or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by CITY against Consultant must be commenced as provided below, or CITY shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within these periods (“Limitation Period”), which vary based on the services provided, and may be modified as described in the following paragraph:

Service	Time after the date Consultant delivers the services or work product*
Examination, compilation, and preparation services related to prospective financial statements	12 months
Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information	24 months
All Other Services	12 months

* pursuant to the SOW on which the dispute is based

If this Agreement is terminated or CITY’S ongoing relationship with Consultant is terminated, then the applicable Limitation Period is the lesser of the above periods or 12 months after termination of this Agreement or CITY’S ongoing relationship with Consultant. The applicable Limitation Period applies and begins to run even if CITY has not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

Consultant will not disclose any of CITY'S confidential, proprietary, or privileged information to any person or party, unless CITY authorizes Consultant to do so, it is published or released by CITY, it becomes publicly known or available other than through disclosure by Consultant, or disclosure is required by law, regulation or professional standard. This confidentiality provision does not prohibit Consultant from disclosing CITY's information to one or more of Consultant's affiliated companies in order to provide services that CITY has requested from Consultant or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of CITY's information as apply to Consultant. CITY also consents to Consultant's disclosure of information regarding the nature of services Consultant provide to CITY to another independent network member of CLA Global, for the limited purpose of complying with professional obligations regarding independence and conflicts of interest.

The workpapers and files supporting the services Consultant perform are the sole and exclusive property of Consultant and constitute confidential and proprietary information. Consultant does not provide access to its workpapers and files to CITY or anyone else in the normal course of business. Unless required by law or regulation to the contrary, Consultant retain its workpapers and files in accordance with its record retention policy that typically provides for a retention period of seven years. After this period expires, Consultant's workpapers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time Consultant's records are available. The workpapers and files of Consultant are not a substitute for CITY's records.

Pursuant to authority given by law, regulation or professional standards Consultant may be requested to make certain workpapers and files available to a regulator for its regulatory oversight purposes. Consultant will notify CITY of any such request, if permitted by law. Access to the requested workpapers and files will be provided to the regulator under the supervision of Consultant personnel and at a location designated by Consultant. Furthermore, upon request, Consultant may provide copies of selected workpapers and files to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Consultant may, at times, utilize external web applications to receive and process information from its clients; however, any sensitive data, including protected health information and personally identifiable information, must be redacted by CITY to the maximum extent possible prior to uploading the document or file. In the event that CITY is unable to remove or obscure all sensitive data, please contact Consultant to discuss other potential options for transmitting the document or file.

Consultant and certain owners of Consultant are licensed by the California State Board of Accountancy. However, Consultant has owners not licensed by the California State Board of Accountancy who may provide services under this Agreement. If CITY has any questions regarding licensure of the personnel performing services under this Agreement, please do not hesitate to contact Consultant.

Consultant regularly aggregates anonymized client data and perform a variety of analyses using that aggregated data. Some of these analyses are published to clients or released publicly. However, Consultant is always careful to preserve the confidentiality of the separate information that Consultant obtains from each client, as required by the AICPA Code of Professional Conduct and various laws. CITY's acceptance of this Agreement will serve as CITY's consent to Consultant's use of anonymized data in performing and reporting on these cost comparison, performance indicator and/or benchmarking analyses.

Consultant may, at times, use third-party software applications to perform services under this Agreement. CITY acknowledges the software Consultant may have access to its data.

D. Firm and Team Experience

Brief description of our business

CLA is a limited liability partnership and is duly licensed to practice public accountancy in the state of California. 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 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.



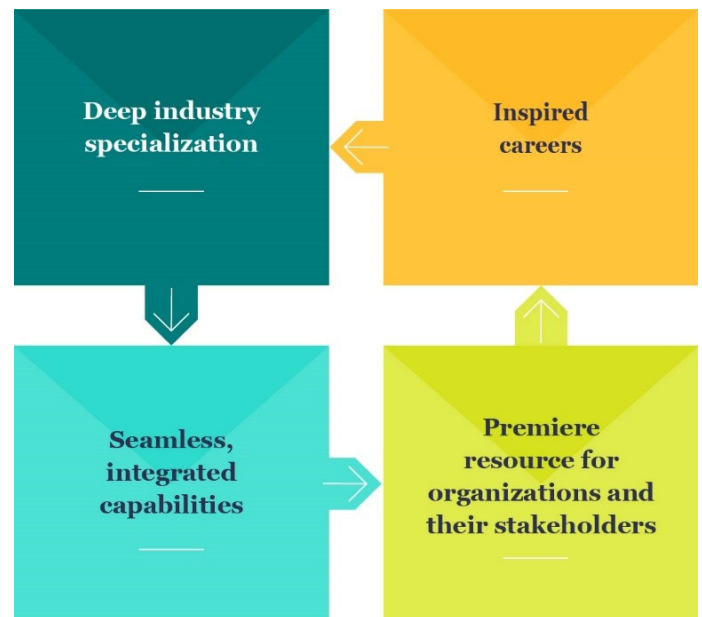
As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.

Opportunities for you

You'll find resources you would expect in the largest firms, with the personal touch of people who live and work in your community.

You'll access leaders and professionals in communities across the country, rather than from one central headquarters. We work together to look at your organization holistically, and then help you address challenges by offering support where you need it, from traditional audit and tax to outsourcing and wealth advisory.

As you navigate opportunities and challenges in a competitive and constantly changing environment, we'll embrace change, learn from it, and design processes to make interactions easier, more transparent, and seamless.



Opportunities for our people

At CLA, people find meaningful work in a fun, compelling, and energizing culture. Our people design their own customized careers through our inspired careers strategic advantage. In 2022 our total headcount was up a record-breaking 11% and we saw an incredible retention rate of 83%. Inspired by their careers, our family members develop client relationships that bring deeper knowledge and help you shine. We're one family, working together to create opportunities.

What's more, CLA is building a [diverse, inclusive, and equitable culture](#) that welcomes different beliefs and perspectives. We want to be representative of the communities we serve and foster an environment of inclusion and belonging, resulting in enhanced value for our clients, our communities, and each other.

Inclusive: *We embrace all voices and create opportunities by removing barriers and helping our people build inspired careers.*

Opportunities for our community

CLA's community impact team unifies the work and missions of our diversity, equity, and inclusion council and the CLA Foundation with a laser focus on advancing education, employment, and entrepreneurship within CLA and throughout our society.

Since 2015, our [CLA Foundation](#) has granted more than \$8 million from nominations made by and funds raised from CLA family members. Each grant recipient's work aligns with the foundation's mission to create career opportunities through education, employment, and entrepreneurship by connecting diverse networks inclusive of all genders and races, veterans, and the disability community.

Read more in CLA's annual [Promise Report](#).

State and local government experience

You can benefit from a close personal connection with a team of professionals devoted to governments. Our government audit team comprised of more than 550 professionals, serve more than 4,200 government entities. They have extensive knowledge and experience auditing cities, successor agencies and housing authorities, and other local governments. Providing audit, single audit, tax, and consulting services to more than 50 housing entities, including some of the largest authorities in the country, our audits include detailed examinations of each authority's grant programs and yield valuable reports designed to improve the compliance, internal controls, and administration of those programs.

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:

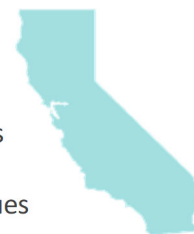
- Finding new ways to operate more effectively and efficiently
- Responding to regulatory pressures and complexities
- Maintaining quality services in the face of revenue reductions
- Providing transparent, accurate, and meaningful financial information to stakeholders, decision-makers, and your constituents

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.



California government experience

CLA is a leading provider of government audit and consulting services in California. We serve more than 130 California municipalities, special purpose governments, and school districts, including more than 20 California counties. As such, we understand the complexities within California governments, grant funding, and the specific federal and state compliance requirements of that funding. Inherently, with the size of CLA's government practice, we are continually consulting other governments and professionals to stay current on constant changes and local issues that may affect the County.



Office location to perform the work

Our firm matches the necessary skill set to an engagement. Assigning team members who specialize in working with similar clients can provide the City higher-quality services and allows us to complete the engagement in a more efficient and effective manner with little interruption to your staff.

The City will be served by a state and local government industry-specialized engagement team located in our Irvine, California office. The address is provided below:

CLA Irvine
2875 Michelle Drive, Suite 300
Irvine, CA 92606

Principal supervisory and management staff

The true value in working with our team is developing a personal and professional relationship with leaders who understand your industry, challenges, and opportunities — with the full support of an entire CLA family behind them.

Meet your service team below. Each member is licensed to practice as a certified accountant in the state of California.

Service Team Member	Role	Experience
 Kassie Radermacher, CPA, CFE	Relationship and assurance engagement principal – Kassie 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. She is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team. She will perform a technical review of all work performed and reports prepared with a higher-level review corresponding to work overseeing by Tiffany Fung, Engagement Director.	19+ years
 Tiffany Fung, CPA	Engagement Director: Tiffany will assist the engagement principal with planning the engagement and developing the audit approach and will be responsible for the single audit, all agreed-upon procedures and the Measure X examination, and review of enterprise fund activities. Tiffany, in coordination with Kassie, will maintain client contact throughout the engagement and throughout the year. She will perform a technical review of all work performed in these sections and is responsible for the preparation of corresponding reports.	13+

Service Team Member	Role	Experience
 Daphnie Munoz, CPA	Transition and Technical Resource Principal: - Daphnie will assist the engagement team in year one as a transition principal. In this role Daphnie can provide historical information to lessen the burden on the City with a new audit team. In all years of the contract, Daphnie will serve as a technical resource principal for consultation on unusual transactions or circumstances.	25+ years
 Robert Perl, CPA	Single audit engagement manager – Robert will act as the lead manager on the single audit engagement. In this role, he will assist the engagement director with planning the engagement and performing complex audit areas. Robert will perform a technical review of all work performed in the single audit and is responsible for the review of all required reports.	16+ years
 Rebecca Hoang, CPA	Engagement manager – Rebecca will act as the lead manager on the City audit, all agreed upon procedures, Measure X examination, and preparation of the state controller’s report. In this role, she will assist the engagement principal and director with planning the engagements and performing complex audit areas. Rebecca will perform a technical review of all work performed and is responsible for the review of all required reports.	11+ years
 Stephen Coverstone, CPA	Engagement senior – Stephen will act as the senior on the engagement. In this role, Stephen will be performing the fieldwork, supervising and reviewing the work of the staff accountants as the audit fieldwork is being performed and providing updates to the City staff.	5+ years

Additional staff – We will assign additional staff to your engagement based on your needs and their experience providing services to similar clients.

Our unique team – Our team has been uniquely designed to maximize quality and timing. Kassie Radermacher, CPA, CFE, Principal is responsible for the entire engagement and all scope of services. Tiffany Fung, CPA, Signing Director, is responsible for overseeing the enterprise fund audit work, all agreed-upon procedures, measure x examination, and single audit. Tiffany will perform the technical review of these audit workpapers with Kassie Radermacher performing a high level review of the workpapers to decrease the time between performing the procedures and performing the top level review. On all scope of work for which Tiffany is not involved, Kassie will perform the technical review of all work and reports.

Daphnie Munoz, CPA, will be available as a transition and technical resource. Daphnie will be available for questions the audit team has where historical knowledge would lessen the burden on the City with a new engagement team. Structuring the team in this way result from a benefit to the City of the past audit team's experience while still experiencing a new and fresh perspective. Daphnie is also available for consultation for unusual transactions or circumstances.

Robert Perl, CPA will manage the single audit and Rebecca Hoang, CPA, will manage the financial statement audit, agreed-upon procedures engagements, measure x examination, and preparation of the state controller's report. Utilizing Robert in this capacity retains the historical knowledge of grants with the City and the City's grant personnel while the other engagements will experience a new perspective from the manager level. This allows a blend of a fresh perspective and efficiency with the audit team.

Stephen Coverstone, CPA, will act as the senior on all scope of services.

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

Service team information

Detailed biographies, including government auditing experience, relevant continuing professional education, and memberships in professional organizations, can be found in the **Appendix** of this proposal.

Consistency of staff

We staff our engagements based on your specific needs, offering local or national resources as necessary to generate exceptional service. Our principals and directors are directly involved in fieldwork to help proactively identify significant issues and resolve them with management — which means the engagement is essentially complete when fieldwork ends. While it is not our policy to rotate the engagement team management, we have the resources to offer additional involvement or bring in other members of our firm, as necessary.

Our approach recognizes that the most valuable time at your location is spent with key decision makers asking clarifying questions, discussing organizational strategies, and dealing with sensitive reporting issues. We believe this approach is effective, cost-efficient, and produces a high-quality audit.

Not using a subcontractor

For this engagement, we do not foresee using any subcontractors. CLA strives to fill its professional positions with among the best and most experienced accountants regardless of race or gender.

CLA's qualifications to provide services

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.

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.*

Support at every turn

With [dedicated services specific to state and local governments](#), you have access to guidance on all aspects of your operations.

- [Affordable Care Act \(ACA\) reporting and compliance](#)
- [Audit](#), review, and compilation of financial statements
- Compliance audits (HUD, OMB Single Audits)
- [COVID-19 funding support](#)
- [Cybersecurity](#)
- [Enterprise risk management](#)
- [Forensic accounting, auditing, and fraud investigation](#)
- Fraud risk management
- [Grant compliance](#)
- Implementation assistance for complex Governmental Accounting Standards Board (GASB) statements
- [Internal audit](#)
- [Outsourced business operations](#)
- [Performance auditing](#)
- [Purchase card \(p-card\) monitoring and analytics](#)
- [Risk assessments](#)
- Strategic, financial, and operational consulting
- [Telecom management services](#)

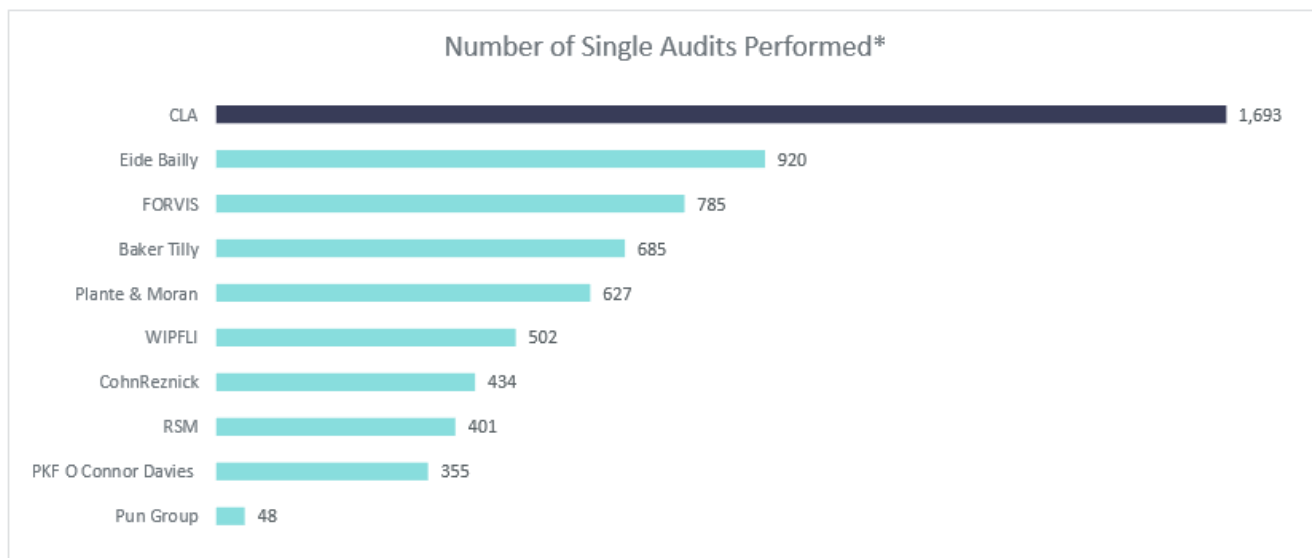


Independence can easily become impaired when providing consulting services; therefore, we do not provide any services to our audit clients beyond those allowed. If additional work is requested by the City outside of the scope of the audit, we will discuss with you our proposed fee for additional services prior to beginning the new services.

Single audit experience

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

We audited nearly \$257 billion dollars in federal funds in 2022. 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.



**The information for the firms above was pulled from the Federal Audit Clearinghouse for audits with fiscal year ends between January 1, 2022 – December 31, 2022.*

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.

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.

Single Audit Resource Center (SARC) award

CLA received the [Single Audit Resource Center \(SARC\) Award](#) for Excellence in Knowledge, Value, and Overall Client Satisfaction. SARC's award recognizes audit firms that provide an outstanding service to their clients based on feedback received from an independent survey.



The survey queried more than 10,000 nonprofit and government entities about the knowledge of their auditors, the value of their service, and overall satisfaction with their 2021 fiscal year-end audit. The SARC award demonstrates CLA's dedication to serving the government and nonprofit industry and maintaining the most stringent regulatory requirements in those sectors.

Certificate of achievement assistance

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.

Following is a representative list of government audit clients, **we currently serve from the CLA Irvine office**, and who have received GFOA awards:

Client	Date of Service
City of Alhambra*	2017-2020; Consulting 2021-current
City of Camarillo	2022-current
City of Cerritos	2020-current
City of Colton*	2017-current
City of Covina	2019-current
City of Del Mar*	2017-current
City of El Segundo	2019-current
City of Escondido	2022-current
City of Fillmore	2019-current
City of Glendale	2020-current

City of Hesperia*	2016-current
City of Irvine*	2017 - current
City of La Cañada Flintridge	2019-current
City of La Habra*	2016-current
City of Lake Forest*	2016-current
City of Lancaster*	2016-current
City of Norco	2018-current
City of Pico Rivera*	2017-current
City of Placentia	2022-current
City of Rancho Palos Verdes	2018-current
City of San Buenaventura*	2017-current
City of Santa Ana	2016-2023
City of Santa Barbara	2019-current
City of Santa Fe Springs	2020-current
City of Temple City	2022-current
City of Victorville**	2019-current
City of Westminster*	2016-current

*Our records are maintained for seven years, as required. Clients with this notation may have been serviced for a time period prior to the beginning date listed.

**Client does not choose to apply for the GFOA award, but ACFR is prepared GFOA award compliant.

GASB insight potentially affecting current and future audits

CLA has one of the largest governmental audit and accounting practices in the country. As a result, we are intimately involved in the review, development, and implementation of new standards promulgated by GASB. Additionally, we have members of our government services team that participate in the AICPA State and Local Government Expert Panel. These individuals are involved in the process of reviewing and updating the AICPA's State and Local Government Audit and Accounting Guide.

Our significant knowledge of technical issues and GASB pronouncements will be especially beneficial to the City. The below are recent issues and pronouncements which may have a future impact on the audits and financial statement of the City. We will proactively work with the City to address the reporting and auditing impact of each pronouncement or issue in advance of the implementation date.

GASB – Recent and Pending	
Description of Statement	Potential Impact on the City
GASB Statement No. 99, Omnibus 2022 – The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.	The requirements of this Statement have various effective dates for fiscal years beginning after June 15, 2022 and 2023, and all reporting periods thereafter.
GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62 – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.	The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.
GASB Statement No. 101, Compensated Absences – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.	The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

The following are some of the current projects being conducted by GASB that may impact the City in the future:

Future Pronouncements and Projects	
Description of Project	Current Status
Revenue and Expense Recognition – The objective of this project is to develop a comprehensive application model for the recognition of revenues and expenses that arise from nonexchange, exchange, and exchange-like transactions, including guidance for exchange transactions that has not been specifically addressed in the current literature.	Currently in the preliminary views redeliberations stage.
Financial Reporting Model – The objective of the project is to make improvements to the financial reporting model including GASB Nos. 34, 35, 37, 41, 46, and Interpretation No. 6. The improvements would be to enhance the effectiveness of the model in providing information essential for decision-making, enhance the ability to assess a government’s accounting, and address certain application issues.	Currently in exposure draft redeliberations stage.
Risk and Uncertainties Disclosures – Current note disclosure requirements focus on various risks faced by state and local governments, such as those associated with financial instruments, including deposits, investments, securities lending, and derivatives as well as risk retention, including risk pools. This project would address risks relating to the nature of operations, estimates, and vulnerability due to certain concentrations.	Currently in the exposure draft redeliberations.
Going concern uncertainties and severe financial stress – The objective of this project is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a government’s exposure to severe financial stress is necessary to disclose.	Currently in initial deliberations.
Infrastructure Assets – This proposed project would address issues related to accounting and financial reporting for infrastructure assets. The project would evaluate standards-setting options related to reporting infrastructure assets to make information (1) more comparable across governments and more consistent over time, (2) more useful for making decisions and assessing government accountability, (3) more relevant to assessments of a government’s economic condition, and (4) better reflect the capacity of those assets to provide service and how that capacity may change over time.	Currently in initial deliberations.

Future Pronouncements and Projects

Classifications of Nonfinancial Assets – The objective of this project would be to reconsider the existing classification of nonfinancial assets and other related sub-classifications (for example, capital assets or intangible assets) to ensure that (1) assets are classified in a way that provides the most relevant financial information and (2) the definitions of the classifications are understandable and appropriate to meeting financial reporting objectives. The project also will consider how any classification changes would affect financial statement presentation and disclosure of nonfinancial assets. The project will not, however, reexamine recognition or measurement of nonfinancial assets.

Currently in exposure draft.

Subsequent Events—Reexamination of Statement 56 – The objective of this project is to improve the accounting and financial reporting for subsequent events. The project will reexamine existing requirements related to subsequent events in Statement No. 56, Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards, to address issues related to (1) confusion about and challenges associated with applying the existing standards, (2) inconsistency in practice in the information provided about subsequent events, and (3) the usefulness of the information provided about subsequent events.

Currently initial deliberations.

References of local government clients

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.

City of Hesperia

Client Contact	Casey Brooksher, Assistant City Manager
Phone Number Email	760-947-1813 cbrooksher@cityofhesperia.us
Address	9700 Seventh Avenue, Hesperia, CA 92345
Dates	In excess of seven years and still a current client
Engagement Leader	Kassie Radermacher, CPA, CFE
Services Provided	City audit, Water, Fire, Housing Authority, and CDC audits, single audit, City and special districts annual financial transactions report, GANN agreed-upon procedures

City of La Habra

Client Contact	Jack Ponvanit, Deputy Finance Director
Phone Number Email	562-383-4051 JPonvanit@lahabraca.gov
Address	110 E La Habra Blvd., La Habra CA, 90631
Dates	In excess of seven years and still a current client
Engagement Leader	Kassie Radermacher, CPA, CFE, and Tiffany Fung, CPA
Services Provided	City audit, single audit, childcare audit, GANN agreed-upon procedures

City of Glendale

Client Contact	Shu-Jun Li, Deputy Director of Finance
Phone Number Email	818-551-3048 SLi@glendaleca.gov
Address	613 E. Broadway, Glendale, CA 91206
Dates	2020-current client
Engagement Leader	Daphnie Munoz, CPA, and Tiffany Fung, CPA
Services Provided	City audit, JPA audit, single audit, REAC, Transit, and GANN agreed-upon procedures

City of Lake Forest

Client Contact	Kevin Shirah, Finance Director
Phone Number Email	949-461-3564 kshirah@lakeforestca.gov
Address	100 Civic Center Drive, Lake Forest, CA 92630
Dates	In excess of seven years and still a current client
Engagement Leader	Kassie Radermacher, CPA, CFE
Services Provided	City audit, Housing Authority and AQMD audits, single audit, City and Finance Authority annual financial transactions report, GANN agreed-upon procedures

City of Westminster	
Client Contact	Erin Backs, Finance Director
Phone Number Email	714-548-3185 ebacks@westminster-ca.gov
Address	8200 Westminster Blvd., Westminster, CA 92683
Dates	In excess of seven years and still a current client
Engagement Leader	Kassie Radermacher, CPA, CFE
Services Provided	City audit, SCAQMD audit, single audit, City annual financial transactions report, GANN agreed-upon procedures

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.

Significant engagements in last five years

Below is a list of cities that the Irvine office has serviced in the past year. References for some of the clients that include your proposed engagement team are listed in the previous section.

Client	Dates	Hours	Scope of Work
City of Alhambra*	2017-2020; Consulting 2021-current	Varies by type of service	Only audit through 2020 - 2021 and forward is consulting
City of Camarillo	2022-current	350	City audit, single audit, GANN, SCO
City of Cerritos	2020-current	350	City audit, single audit, GANN, SCO
City of Colton*	2017-current	520	City audit, single audit, childcare audit, GANN
City of Covina	2019-current	400	City audit, single audit, GANN, SCO
City of Del Mar*	2017-current	350	City audit, single audit, GANN, SCO
City of El Segundo	2019-current	350	City audit, single audit, GANN
City of Escondido	2022-current	450	City audit, single audit, GANN
City of Fillmore	2019-current	360	City audit, single audit, GANN, SCO
City of Glendale	2020-current	700	City audit, JPA audit, single audit, GANN, SCO, REAC
City of Hesperia*	2016-current	500	City audit, single audit, GANN, SCO

Client	Dates	Hours	Scope of Work
City of Irvine*	2017 - current	500	City audit, single audit, pension plan audits, AQMD audit, fund audits, SCO, GANN
City of La Cañada Flintridge	2019-current	300	City audit, single audit, GANN, SCO
City of La Habra*	2016-current	500	City audit, single audit, childcare audit, GANN
City of Lake Forest*	2016-current	400	City audit, single audit, AQMD audit, Housing Auth audit, GANN, SCO
City of Lancaster*	2016-current	500	City audit, single audit, CCEA audit, GANN, SCO
City of Norco	2018-current	450	City audit, single audit, GANN, SCO
City of Pico Rivera*	2017-current	470	City audit, single audit, GANN, SCO, Measure W
City of Placentia	2022-current	450	City audit, single audit, GANN, SCO
City of Rancho Palos Verdes	2018-current	400	City audit, single audit, GANN, SCO
City of San Buenaventura*	2017-current	600	City audit, single audit, GANN, SCO
City of Santa Ana	2016-2023	1035	City audit, single audit, investment AUP, Measure X examination, GANN, SCO
City of Santa Barbara	2019-current	550	City audit, single audit, PFC audit (airport), custodial fund audit, GANN, SCO
City of Santa Fe Springs	2020-current	350	City audit, single audit, GANN, SCO
City of Temple City	2022-current	300	City audit, single audit, GANN, SCO
City of Victorville	2019-current	650	City audit, water district audit, SCLAA (airport) audit, single audit, GANN
City of Westminster*	2016-current	400	City audit, single audit, AQMD audit, GANN, SCO

Independence

CLA is independent of the City under the American Institute of Certified Public Accountant's Code of Professional Conduct and its interpretations, and the U.S. Government Accountability Office's Government Auditing Standards, as required. Our firm-wide quality control policies and procedures foster strict compliance with these professional standards. In addition, the individuals assigned to your engagement are independent of the City and we are not aware of any conflicts of interest.

License to practice in California

CLA is a limited liability partnership and is duly licensed to practice public accountancy in the state of California. Further, all assigned key professional staff are properly licensed to practice in California. A copy of our state license is provided below:

BOARD OF ACCOUNTANCY LICENSING DETAILS FOR: 7083 NAME: CLIFTONLARSONALLEN LLP LICENSE TYPE: CPA - PARTNERSHIPS LICENSE STATUS: CLEAR PREVIOUS NAMES: LARSONALLEN LLP ♦ LARSON, ALLEN, WEISHAIR & CO., LLP ADDRESS 915 HIGHLAND POINTE DR STE 300 ROSEVILLE CA 95678 PLACER COUNTY	ISSUANCE DATE JULY 27, 2006 EXPIRATION DATE JULY 31, 2024 CURRENT DATE / TIME JUNE 20, 2022 8:15:50 AM
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Peer review and quality control procedures

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. ***This quality control review included a review of specific government engagements.*** The full report is provided on the following page.

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. 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[®] 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, 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

cbh.com

Federal or state desk or field reviews

CLA has been subject to several federal and state desk reviews by state oversight agencies during the past three years, and we have resolved all findings. In addition, our government audits are subject to review by each agency's Office of Inspector General, as well as the U.S. Government Accountability Office, and we have also resolved all findings identified in those reviews.

Disciplinary and legal action

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

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

The firm and professionals within the firm presently do not have any regulatory or ethics inquiries outside the normal course of our practice.

Authorized to contractually bind the firm

Kassie Radermacher, as a principal of CLA, is authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the City's RFP. This proposal is valid for a period of 180 days.

E. Proposed Work Plan

Scope of work to be performed

Please see section B. Services Provided, scope of work to be performed section.

Workpaper retention

Workpapers are maintained for at least seven years and will be available for examination by authorized representatives of the City, internal audit staff, and representatives of regulatory personnel, subject to professional ethics requirements.

Additional services

In addition to the services outlined in the *Proposed Scope of Services* for this proposal, CLA collectively offers a wide breadth of highly customized services and capabilities to meet our clients' wants and needs, including a sampling of the following:

- Forensic audits
- Internal audit, risk assessments, and evaluations
- Implementation assistance for complex accounting standards
- ACA Reporting
- Operational and financial systems consulting
- Operations and performance improvement
- Self-insured medical and PBM claim audits

- IT security and network vulnerability assessments
- Fraud risk assessment and investigations
- Strategic, financial, and operational consulting
- Outsourced accounting and public administration
- Strategic, business, and capital planning
- Organizational and financial health assessment
- Training and educational seminars
- Telecom cost savings assessments

We pride ourselves on taking the initiative to meet each and every need of our clients, and therefore are always prepared to take on additional projects. However, independence is our first concern when providing additional services. Independence can easily become impaired when providing consulting services; therefore, we do not provide any services to our audit clients beyond those allowed.

If additional work is requested by the City outside of the scope of the audit, we will discuss with you our proposed fee for additional services prior to beginning the new services.

Digital strategies

Leverage data and automation to help you power success. Digital strategy provides a road map for tomorrow and identifies actionable opportunities for your organization.

Properly harnessed, technology and data reveal deep insight to your organization. We can help you develop digital strategies to leverage trends, overcome challenges, and innovate for the future.

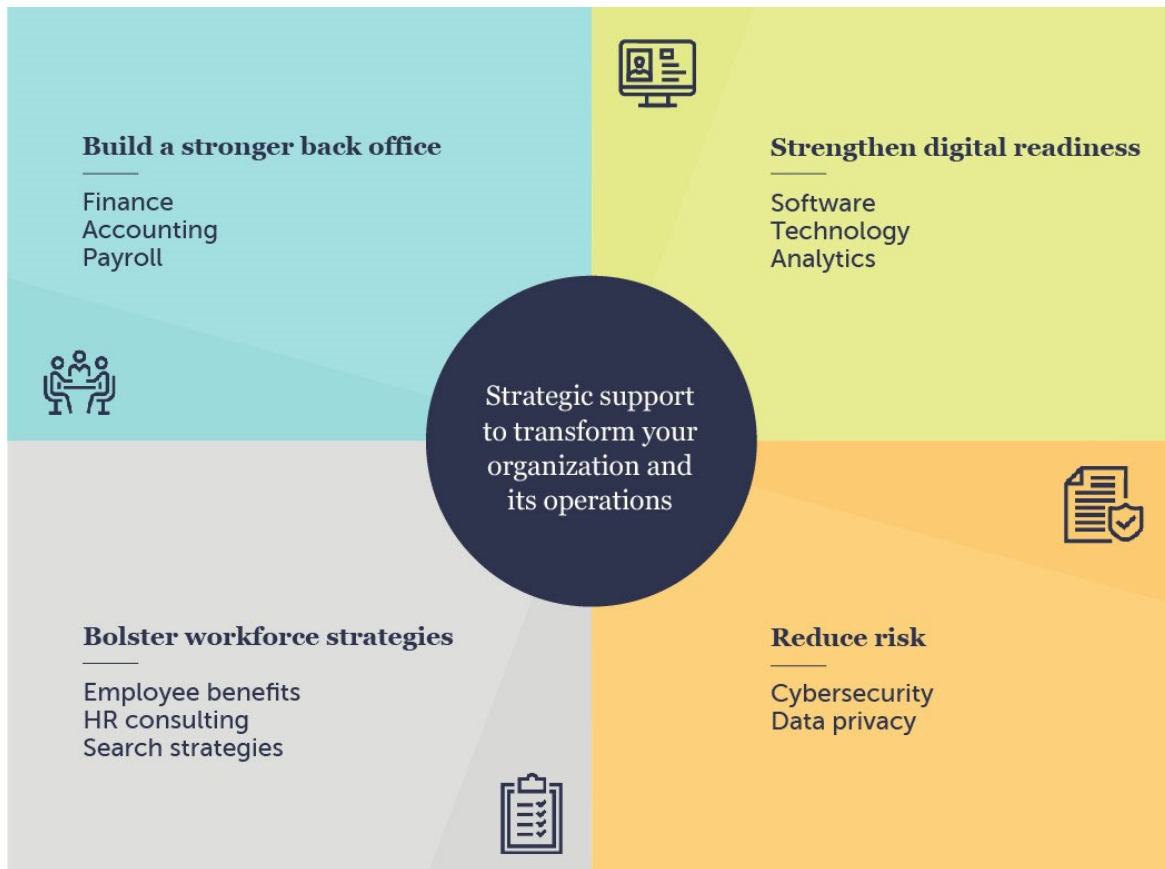
We help our clients put data to work to:

Improve revenue and expense forecasting	Reduce time to market
Improve strategic decision making	Reduce client acquisition costs
Improve jobsite and production line safety	Reduce equipment downtime
Improve cash flow	Reduce client churn
Streamline operational processes	Reduce fraud through automated anomaly detection
Increase employee retention and engagement	Reduce pricing volatility

Consulting and outsourcing

An organization that is strong across functional areas can turn business challenges into opportunity. As human resources compliance issues become increasingly complex, organizations need flexibility to expand and contract to meet rapidly changing business needs.

CLA can help you manage your day-to-day operations so you can focus on what you do. Whether you need a team to become an extension of yours or simply want resources to lean on, we have the experience to offer relevant guidance and services customized and scaled to your needs — even as those needs change.



The CLA Seamless Assurance Advantage (SAA)

The CLA Seamless Assurance Advantage (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.

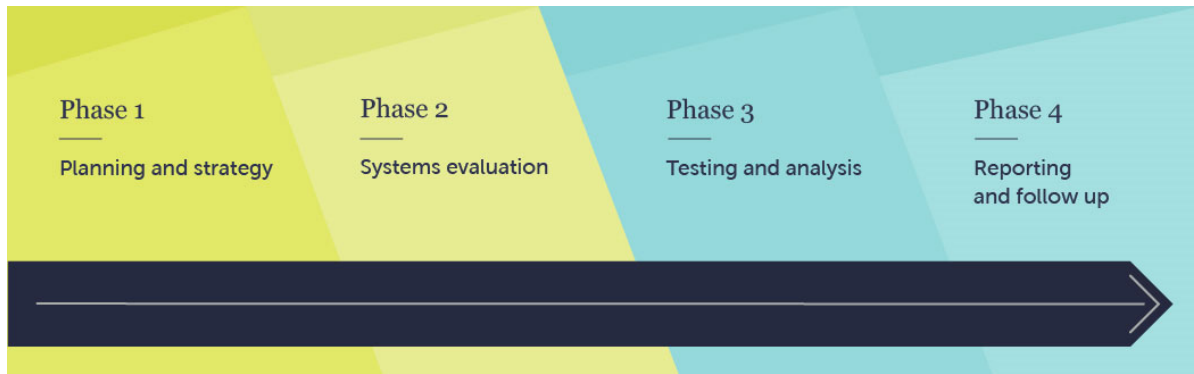


Effective technology

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 work plan



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. Kassie Radermacher 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 information services/information technology (IS/IT) 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/IT-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 Auditors' Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance*
- Management Letter
- 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 work plan

The OMB's *Uniform Guidance* (2 CFR Part 200) is effective for federal grants made on or after December 26, 2014. This affects how federal grants are managed and audited and impacts every organization that receives federal assistance. Grant compliance can be a confusing topic and many of our clients rely on their federal 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 was out in front of these changes and informed our clients of how to be proactive about these changes and how they could impact their entity. 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 will conduct our single audit in three primary phases, as shown, below:



Phase 1: Risk assessment and planning

The risk assessment and planning phase will encompass the overall planning stage of the single audit engagement. During this phase, we will work closely with the 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 will also review the forms and programs utilized in the prior year to determine the extent of any changes which are required.

We will 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, we will identify the Type A and significant Type B programs (25% of Type A threshold) in accordance with the *Uniform Guidance*
- 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 will 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 will determine the programs to be audited based on the risk assessment performed in the planning phase. We will perform the audit of the programs in accordance with UG.

To accomplish this, we will 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
- 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 will re-perform the steps noted in the preliminary assessment and planning stage once the final Schedule of Expenditures of Federal Awards is received to determine if additional major programs were identified.

Based on the final determination of the programs we will 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, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance*

Throughout the single audit, we will 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 will discuss progress impediments and findings as they arise.

Approach to be taken in drawing audit samples for purposes of tests of compliance

We follow the guidance of AU-C Section 530, Audit Sampling, in using statistical and nonstatistical approach. We use quality control material in all our audit engagements. These forms guide our staff through a logical process of assessing inherent risk, control risk, and combined audit risk, followed by an assessment of appropriate sample size for testing.

Because our sample sizes are affected by many variables, a statement about sample sizes cannot be made in absolute terms. However, with regard to sample selection, we will generally utilize representative sampling for internal control and compliance tests, including those related to single audit compliance. Samples will also be used in conjunction with other tests of compliance (e.g., Florida Statutes, Ordinances, etc.).

In general terms, sample sizes for compliance and controls testing obtained via our guidance usually fall into categories of 25, 40, or 60 depending on circumstances. Where the population being tested is less than 100 items, we will use the 20%, 30%, or 40% of the population depending on our control risk assessment.

We are usually able to cover a substantial portion of the compliance and controls testing with one sample, resulting in a very efficient approach.

Sample size and statistical sampling

We follow the guidance of AU-C Section 530, Audit Sampling, in using statistical and nonstatistical approach. We use quality control material in all our audit engagements. These AU-C Section 530 – “Audit Sampling” forms guide our staff through a logical process of assessing inherent risk, control risk, and combined audit risk, followed by an assessment of appropriate sample size for testing.

Sample sizes will vary depending on the nature of the testing (compliance versus substantive) and the size of the population being sampled. Sampling techniques are utilized in compliance and internal control testing, as well as substantive testing of certain asset and liability account balances. Sample sizes used for internal control testing depend on a number of factors, namely the number of expected or actual control deviations, size of population, and level of control assurance anticipated. Sample sizes can range from 20 to 90 possible selections.

To illustrate, if no internal control deviations are anticipated and the frequency of the population (i.e., the number of times the control is performed in a given year) is less than 100, then we will test 20 transactions in order to obtain moderate control assurance. If two internal control deviations are anticipated, and the frequency of the population is greater than 200, then we will test 90 transactions in order to obtain low control assurance. We are usually able to cover a substantial portion of the compliance and controls testing with one sample, resulting in a very efficient approach.

Type and extent of analytical procedures

Preliminary analytical procedures will assist in planning the nature, timing, and extent of auditing procedures that will be used to obtain evidential matter. These procedures will focus on enhancing our understanding of the financial results. These procedures are also 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.

In performing our substantive testing, our audit efficiency initiative provides that we first think analytically. By doing this, we can better understand the specific account balance being tested and determine if the current balance or relationship with other account balances appears reasonable. We will also employ analytical testing on smaller and/or lower risk accounts and cycles to maintain efficiency and to meet milestones.

Data analytics

In addition to standard auditing methodology, a distinguishing aspect of CLA's audit services incorporates the power of data analytics to multiply the value of the analyses and the results we produce for clients. CLA's data methodology is a six-phase, systematic approach to examining an organization's known risks and identifying unknown risks. Successful data analysis is a dynamic process that continuously evolves throughout the duration of an engagement and requires collaboration of the engagement team.

Data analytics are utilized throughout our audit process, our **Risk Assessment, Data Analytics and Review ("RADAR")** is a specific application of general ledger data analytics that has been implemented on all audit engagements. RADAR is an innovative approach created and used only by CLA that aims to improve and replace traditional preliminary analytics that were being performed.

The phases in our data analytics process are as follows:

1. Planning

In the planning stage of the engagement, the use of data analysis is considered and discussed to determine that analytics are directed and focused on accomplishing objectives within the risk assessment. Areas of focus, such as journal entries, cash disbursements, inventory, and accounts receivable are common.

2. Expectations

We consider the risks facing our client and design analytics to address these risks. Through preliminary discussions with management and governance, we develop and document expectations of financial transactions



and results for the year. These expectations will assist in identifying anomalies and significant audit areas in order to assess risk.

3. Data acquisition

Sufficient planning, a strong initial risk assessment, and an adequate understanding of your systems will serve as the foundation necessary to prepare our draft data request list. We will initially request information in written format and conduct follow-up conversations helping CLA practitioners share a mutual understanding of the type of data requested and the format required. If there are going to be any challenges/obstacles related to obtaining data, or obtaining data in the preferred format, they will generally be discovered at this point.

4. Technical data analysis

Technical analysis of the data requires the skillful blend of knowledge and technical capability. Meaningful technical analysis provides the engagement team with a better understanding of the organization. The additional clarity assists the engagement team to better assess what is “normal” and, in turn, be better suited to spot anomalies, red flags, and other indications of risk. Analytics generally fall into five categories, each looking into the data set in a different way and deployed with a different purpose.



5. Interpret results and subsequent risk assessment

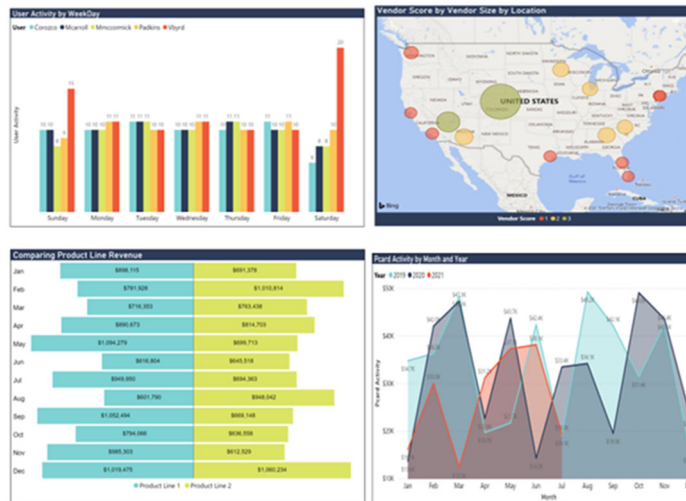
Trends and anomalies will be identified through the performance of the above referenced analytics. Comments regarding the interpretation of those trends and anomalies will be captured. When trends are identified, they are reconciled against expectations. For anomalies identified, the approach to further audit procedures will be considered.

6. Response and document

The last process is to capture responses and determine that our procedures are properly documented. Abstracts, charts, or summaries of both trends and anomalies are retained in audit documentation to support our identification of risks. Our analysis can be tailored and customized to help analyze an array of information, including client-specific and proprietary data. Key benefits of data analytics include:

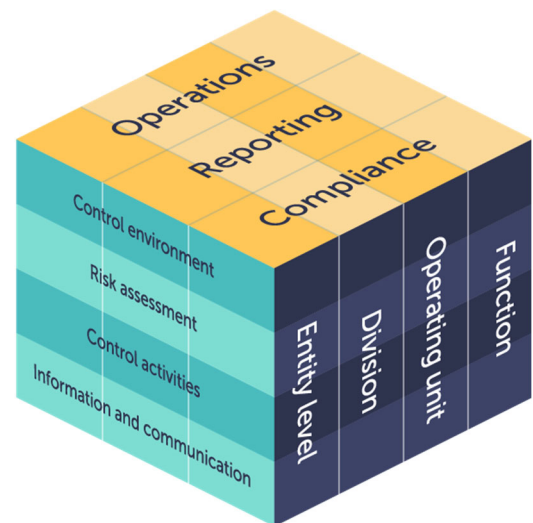
- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100% data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unlimited data access allows us to access and analyze data from virtually any computing environment
- Eliminates the need to extrapolate information from errors (a common effort when manually auditing data) and allows for more precise conclusions

The below figure illustrates typical data analytics scenarios.



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.

Approach to be taken in determining laws and regulations that will be subject to audit test work

We will obtain an understanding of the laws and regulations that impact the City's operations by reviewing council minutes to identify any ordinances or resolutions that might have an impact to operations and reporting by the City, as well as interview key personnel and management of the City. The staff assigned to the engagement attend regular trainings and are well versed in upcoming legislation and federal and state laws (e.g., Uniform Guidance) and proactively discuss these upcoming changes with our clients.

We will also review current operations, contracts, and IGA's that may impact current operations.

Identification of anticipated potential audit problems

In situations where authoritative guidance on a particular transaction or accounting issue is unclear or subject to interpretation, our approach is to proactively meet with management to discuss the issue and reach a conclusion that is hopefully agreed upon by both parties. We do not have specific firm policies that dictate our conclusions to be reached on all complex accounting issues. Rather, each issue must be evaluated independently by our engagement team. As discussed above, we will not only meet internally, but also facilitate discussion with the City's management team in order to obtain a mutual understanding of the particular accounting issue, determine the applicable authoritative guidance that most closely relates to the issue, and strive to reach an approach agreed upon by both parties. If there remains any ambiguity or disagreement, we can explore other resources that could possibly assist, such as subject matter professionals within the Government Accounting Standards Board staff or the Government Finance Officers Association (GFOA) or perhaps other municipalities who may have dealt with similar issues. We have not currently identified any potential audit problems.

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.

Working remotely under special circumstances

CLA exists to create opportunities for our clients, our people, and our communities. For several years now we have fostered a remote culture throughout the firm understanding that flexibility to work remotely enables us to better serve our clients under a variety of circumstances. In fact, we had already implemented a number of tools, *before* the Covid-19 pandemic developed, such as **Assurance Information Exchange (AIE)** and **Microsoft® Teams**, which we utilize to provide seamless service to our clients. We continue to invest in technology to facilitate working remotely.

Use of technology in the audit

We're reimagining the audit process through technology to elevate your experience!

Assurance Information Exchange (AIE) — CLA offers a secure web-based application to request and obtain documents necessary to complete client engagements. This application allows clients to view detailed information, including due dates for items that CLA requests.

Additionally, the application allows clients to attach electronic files and add commentary related to the document requests directly on the application. AIE is provided at no additional cost, subject to the terms of the Assurance Information Exchange Portal Agreement.



← SECURE, INTERACTIVE REQUEST LISTS



← ANALYTICS AND INSIGHTS



← IMPACTFUL INTERACTION

Prosystems fx Engagement — To facilitate the audit workpaper storage and the trial balance software, we use Prosystems fx Engagement. Prosystems itself houses all audit workpapers and reports. The trial balance software within Prosystems allows us to group the City's accounts in any way we need to facilitate audit analysis, audit workpapers, and financial statement support. To ensure an efficient and accurate review of the City prepared ACFR, CLA will group the City's trial balance to match the financial statement grouping. Since the grouping occurs as soon as we receive a trial balance from the City, we are able to tie out the financial statements starting from day one of the audit. This removes the risk for delays in reviewing the ACFR and ensures that we are analyzing the City's data by a fund view as well as an account view from the start of the audit to avoid last minute questions and changes.

TeamMate Analytics and Expert Analyzer (TeamMate) — To analyze and understand large data sets, we use TeamMate Analytics and Expert Analyzer. We customize the application by industry in order to perform the most applicable procedures. This allows us to go beyond sampling and instead analyze the entire general ledger for targeted anomalies. Far beyond the audit application, our six-phase process of Risk Assessment, Data Analytics and Review (RADAR) can also provide actionable insights to help you understand your entity better.

Microsoft® Teams — Our services approach focuses on impactful interactions. We've said goodbye to the days of setting up camp in our clients' conference rooms for weeks on end. We know our clients have organizations to run, so our interactions have purpose. To assist with communications when we are not onsite, we utilize tools

such as Microsoft Teams, which allow for two-way screen sharing and video. We've found this helps minimize disruptions in our clients' environments while continuing to effectively communicate with each other.

Extent of support required from City staff

We request that the City provide access to all records required for the audits and other requirements of the contract. In addition, we request that you assign a "project coordinator" through whom we will communicate and coordinate activities. We do not foresee needing the City's staff other than during normal business hours.

To assist in this process, we will provide a detailed Prepared by Client list early in the engagement. We will ask that your accounting staff provide us with standard schedules, as well as additional requested supporting items. We anticipate that your accounting personnel will assist us in retrieving the documents stored electronically for certain invoices, vouchers, cancelled checks, and other documents and records. We are extremely flexible as to the format in which we receive this information and will determine through the use of the latest technology that your personnel will not be asked to perform any unnecessary or extensively disruptive tasks.

We will depend on your staff to provide us with as much information as possible, in an effort to limit everyone's time on the engagement and, ultimately, to save your organization money.

Preliminary Schedule

Audit Segment	Staff Level Responsible	Completed By
Phase 1		
Entrance conference	Principal/Director/ Manager	May 31
Preliminary risk assessment and initial audit plan	Principal/Director/ Manager	June 30
SEFA review & major program determination	Manager/Senior	December 15
Phase 2 and 3 (Interim Fieldwork – commences late May or early June)		
Understanding of the City's internal controls	Manager/Senior	June 30
Perform walkthroughs and internal control testing	Senior/Staff	June 30
Evaluate information system controls	Manager/Senior	June 30
Final risk assessment and comprehensive audit plan	Principal/Director/ Manager	June 30

Audit Segment	Staff Level Responsible	Completed By
Exit Conference to discuss interim fieldwork results	Principal/Director/ Manager	June 30
Single Audit major program internal control and compliance testing	Senior/Staff	January 31
Phase 3 (Final Fieldwork – begins no earlier than October 1)		
Financial Statement substantive testing and analytical procedures	Senior/Staff	November 15
Exit Conference to discuss final fieldwork results	Principal/Director/ Manager	November 15
Phase 4		
Drafting reports (Management Letter, Single Audit, other deliverables) and required communications	Manager/Senior	November 30
Detailed review of work	Principal/Director/ Manager	November 15
Communications with management	Principal/Director/ Manager	November 15
Finalization of reports and required communications	Principal/Director/ Manager	1 st week of December for most reports – see detail in next chart

Reports for City of Santa Ana	Draft Report Due Date	Final Report Due Date
Independent Auditor's Report on City of Santa Ana Financial Audit	n/a	1 st week of December
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 <i>Government Auditing Standards</i>	November 30	1 st week of December
Communication to those in charge of governance (Audit Committee Letter)	November 30	1 st week of December
Single Audit Report: Independent Auditors' Report on compliance for each major program and internal control over compliance required by Uniform Guidance, formerly OMB Circular A-133	February 15	February 28
Air Quality Improvement Fund (AQMD)	November 30	December 10
GANN Limit computation	November 30	December 10
Investment Policy Compliance Review	November 30	November 30
U.S. Department of Housing of Urban Development (HUD) Real Estate Assessment Center (REAC) submission attestation and review of HUD Financial Data Schedule (FDS) for the Housing Authority	n/a	February 28
Annual State Controller's Report	1 st week of January	January 31
Measure X Examination	November 30	December 10
Agreed-Upon-Procedures Report	TBD	TBD

Work plan location

Work is intended to be performed using a hybrid method where staff will work at the City when documents and support are not easily provided in an electronic format. The remainder of the work will be performed remotely.

Data requirements from the City

We request that the City provide remote access when possible to the accounting system to decrease the amount of requests we make for support and documentation.

F. References



CITY OF SANTA ANA

ATTACHMENT B

REFERENCES

List and describe fully the contracts performed by your firm which demonstrate your ability to provide the supplies, equipment or services included in the scope of the proposal specifications. Attach additional pages if required. The City reserves the right to contact each of the references listed for additional information regarding your firm's qualifications.

REFERENCE

Customer Name: City of Hesperia Contact Individual: Casey Brooksher, Assistant City Manager

Address: 9700 Seventh Avenue, Hesperia, CA 92345 Phone Number: 760-947-1813

EMAIL: cbrooksher@cityofhesperia.us

Contract Amount: \$121,000 Year: In excess of seven years and still a current client.

Description of supplies, equipment, or services provided:

City audit, water, fire, housing authority, and CDC audits, single audit, City and special districts annual financial transactions re
GANN agreed-upon procedures

REFERENCE

Customer Name: City of La Habra Contact Individual: Jack Ponvanit, Deputy Finance Director

Address: 110 E La Habra Blvd., La Habra, CA 90631 Phone Number: 562-383-4051

EMAIL: JPonvanit@lahabracal.gov

Contract Amount: \$90,000 Year: In excess of seven years and still a current client.

Description of supplies, equipment, or services provided:

City audit, single audit, childcare audit, GANN agreed-upon procedures

REFERENCE

Customer Name: City of Westminster Contact Individual: Erin Backs, Finance Director

Address: 8200 Westminster Blvd., Westminster, CA Phone Number: 714-548-3185

92683 EMAIL: ebacks@westminster-ca.gov

Contract Amount: \$60,000 Year: In excess of seven years and still a client

Description of supplies, equipment, or services provided:

City audit, SCAQMD audit, single audit, City annual financial transactions report, GANN agreed-upon procedures

**THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE PROPOSAL.
PROPOSALS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.**

2. Cost Proposal

Having upfront conversations builds relationships.

The value we can provide your organization starts with helping you uncover revenue opportunities. While we are addressing your compliance needs, our insights and strategies also represent a return on your investment.

(a) Not-to-exceed cost

Based on our understanding of your requirements, we propose the following not-to-exceed cost to perform all of the services included in the Proposed Scope of Services:

Description of Services	2024	2025	2026	Option Year 2027	Option Year 2028
City audit, including management and audit committee letters	\$102,600	\$105,680	\$108,850	\$112,120	\$115,480
Single Audit of Federal Grants	38,770	39,930	41,130	42,360	43,630
AQMD Audit of the Air Quality Improvement Fund	3,590	3,700	3,810	3,920	4,040
GANN Limit Agreed-Upon Procedures	830	850	880	910	940
Compliance Review of City's Investment Policy Agreed-Upon Procedures	4,540	4,680	4,820	4,960	5,110
Preparation of the Santa Ana Housing Authority's Financial Data Schedule (REAC)	1,280	1,320	1,360	1,400	1,440
Measure X Examination	7,090	7,300	7,520	7,750	7,980
Preparation of the City's State Controller's Report	5,690	5,860	6,040	6,220	6,410
Technology and client support fee (5%)	8,210	8,450	8,700	8,960	9,230
Total Maximum Cost	\$172,600	\$177,770	\$183,110	\$188,600	\$194,260
Two Agreed-Upon Procedures, Annually*	18,600	19,160	19,730	20,320	20,930
Technology and client support fee (5%)	930	960	990	1,020	1,050
Total	\$192,130	\$197,890	\$203,830	\$209,940	\$216,240

*The hours and fees for the agreed-upon procedures are estimated and subject to negotiation once the scope of each agreed-upon procedures are determined.

Our total not-to-exceed cost is designed with an understanding that:

- The City personnel will provide documents and information requested in a timely fashion.
- The operations of your organization do not change significantly and do not include any future acquisitions or significant changes in your business operations.
- There are not significant changes to the scope, including no significant changes in auditing, accounting, or reporting requirements.

The 5% technology and client support fee supports our continuous investment in technology and innovation to enhance your experience and protect your data. It is based on the audit prices – the percentage of 5% will not change, but the amount of the technology and client support fee will change over the years as the audit fee increases.

(b) Bill rates for supplemental services

The City, during the term of this agreement, may request that Consultant provide special services in accordance with the provisions of this agreement. If Consultant agrees to perform the special services, the Consultant's hourly fees to perform these services for the term of the agreement are as follows unless a lesser fee is agreed to in a separate agreement between the City and Consultant.

Title	2024	2025	2026	Option Year 2027	Option Year 2028
Principals and Signing Directors	\$390	\$400	\$410	\$420	\$430
Managers and Directors	250	260	270	280	290
Supervisory Staff	160	165	170	175	180
Staff	110	113	116	119	123
Clerical	90	93	96	99	102

(c) Segmentation of hours

Description of Services	Principal/ Director	Manager	Senior/ Associates	Admin	Total
City audit, including management and audit committee letters	46	80	508	2	636
Single Audit of Federal Grants	12	32	200	1	245
AQMD Audit of the Air Quality Improvement Fund	1	4	20	-	25
GANN Limit Agreed-Upon Procedures	1	-	4	-	5
Compliance Review of City's Investment Policy Agreed-Upon Procedures	2	8	16	-	26
Preparation of the Santa Ana Housing Authority's Financial Data Schedule (REAC)	2	2	-	-	4
Measure X Examination	4	8	24	1	37
Preparation of the City's State Controller's Report	2	6	31	-	39
Total Hours	70	140	803	4	1,017
Two Agreed-Upon Procedures Reviews, Annually (1)	8	18	82	4	112

(1) The hours for agreed-upon procedures are estimated and subject to negotiation once the scope of each agreed-upon procedures are determined.

Proposed staffing plan and segmentation of audit hours by principal and staff level by phases are as follows:

Phases	Principal	Manager	Senior/ Associates	Admin	Total
City audit, AUPs, and related reports					
Phases 1 and 2	12	20	120	-	152
Phase 3	36	72	431	-	539
Phase 4	6	8	28	2	44
Measure X	4	8	24	1	37
Single Audit	12	32	200	1	245
Total Hours	70	140	803	4	1,017

No surprises

Our clients don't like fee surprises. Neither do we. If changes occur, we will discuss a revised fee proposal with you before beginning any work. For any "out-of-scope" work, we will provide an estimate for your approval.

We're invested in our relationships and strongly encourage intentional and frequent communication. Contact us year-round as changes or questions arise — **we do not bill for routine inquiries or advice.**

We are committed to creating a long-standing relationship. If you have concerns about the fee structure, give us a call and let's discuss.

Transparent: Clear, authentic communication and market-based fees.

3. Certifications (Attachments)

ATTACHMENT A

PROPOSER'S CERTIFICATION, PROPOSAL PRICING


Certification - I certify that I have read, understand and agree to the terms and conditions of this Request for Proposals. I have examined the Scope of Services (Exhibit I) and am qualified to provide services being requested as specified herein. I understand and agree that I am responsible for reporting any errors, omissions or discrepancies to the City for clarification prior to the submission of my proposal.

PROPOSER'S STATEMENT: I have read, understood and agree to the terms and conditions on all pages of the Request for Proposals. Upon request, I will transfer and deliver goods or services to the City in accordance with said terms and conditions.

CliftonLarsonAllen LLP	714-795-5382
LEGAL NAME OF COMPANY	PHONE AND FAX NUMBERS

2875 Michelle Dr., Ste. 300, Irvine, CA 92606
BUSINESS ADDRESS

Kassie Radermacher, CPA	Principal
PRINTED NAME OF AUTHORIZED AGENT	TITLE

	2/29/24	kassie.radermacher@claconnect.com
SIGNATURE OF AUTHORIZED AGENT	DATE	E-MAIL ADDRESS

410746749	7083
FEDERAL ID NUMBER (IF APPLICABLE)	CONTRACTOR LICENSE NUMBER (IF APPLICABLE)

CITY OF SANTA ANA BUSINESS LICENSE NUMBER (PLEASE PROVIDE IF AVAILABLE, BUT NOT REQUIRED UNTIL AND IF AN AWARD IS MADE TO PROPOSER.)

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE PROPOSAL. PROPOSALS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.
--

ATTACHMENT C

PROPOSER'S STATEMENT

Proposer understands and agrees that this written RFP (or any part thereof specifically designated and accepted by the City of Santa Ana, hereinafter City) shall constitute the entire agreement between proposer and the City only after it has been accepted by the City Council, endorsed by the Clerk of the Council with her signature and official seal noting hereon the action of approval of the Council, signed by the Executive Director or his duly authorized agent, and signed by the City Attorney, denoting his approval of the form of this document, and its execution, and when it or an exact copy of it has been either delivered to proposer or deposited with the United States Postal Service properly addressed to the proposer with the correct postage affixed thereto.

Proposer further agrees that upon delivery (as defined above) of the accepted agreement he/she will furnish City all required bonds and certificate of liability insurance within ten (10) days (excluding Saturdays, Sundays and City's legal holidays), or the funds, check, draft, or proposer's bond substituted in lieu thereof accompanying this proposal shall become the property of the City and shall be considered as payment of damages due to the delay and other causes suffered by City because of the failure to furnish the necessary bonds and because it is distinctly agreed that the proof of damages actually suffered by City is difficult to ascertain; otherwise said funds, check drafts, or proposer's bond substituted in lieu thereof shall be returned to the undersigned.

Proposer understands that a proposal is required for the entire work, that the estimated quantities set forth in the RFP schedule are solely for the purpose of comparing proposals, and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed.

All terms contained in the specifications, the certification of nondiscrimination by contractors, and the required insurance certificates are to be incorporated by reference into this agreement and are made specifically as part of this RFP.

Firm CliftonLarsonAllen LLP

Signed and Printed Name: Kassie J. Radermacher Kassie Radermacher, CPA

Title Principal

Date 2/29/24

**THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE PROPOSAL.
PROPOSALS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.**



CITY OF SANTA ANA

ATTACHMENT D NON-COLLUSION AFFIDAVIT

(Title 23 United States Code Section 112 and Public Contract Code Section 7106)

To the CITY OF SANTA ANA

In accordance with Title 23 United States Code Section 112 and Public Contract Code 7106 the proposer declares that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the proposer has not directly or indirectly induced or solicited any other proposer to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived or agreed with any proposer or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the proposer or any proposer, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other proposer, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and, further, that the proposer has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

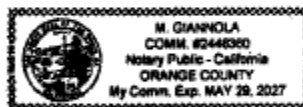
Note: The above non-collusion affidavit is part of the proposal. Signing this proposal on the signature portion thereof shall also constitute signature of this non-collusion affidavit. Proposers are cautioned that making a false certification may subject the certifier to criminal prosecution.

Signed Kassie J. Radermacher

State of CA, County of Orange

Subscribed and sworn to (or affirmed) before me on this 29th day of February, 2024, by Kassie Radermacher, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

M. Giannola
Notary Public Signature



Notary Public Seal

**THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE PROPOSAL.
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CITY OF SANTA ANA

ATTACHMENT E

NON-LOBBYING CERTIFICATION

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in conformance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such subrecipients shall certify and disclose accordingly.

Signed: Kassie J. Rademacher

Title: Principal

Firm: CliftonLarsonAllen LLP

Date: 2/29/24

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CITY OF SANTA ANA

ATTACHMENT F

NON-DISCRIMINATION CERTIFICATION

The undersigned consultant or corporate officer, during the performance of this contract, certifies as follows:

1. The Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
2. The Consultant shall, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The Consultant shall send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Consultant's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The Consultant shall comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The Consultant shall furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation, to ascertain compliance with such rules, regulations, and orders.
1. In the event of the Consultant's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, the contract may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulations, or order of the Secretary of Labor, or as otherwise provided by law.
2. The Consultant shall include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontract



CITY OF SANTA ANA

or purchase order as the administering agency may direct as means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subconsultant or vendor as a result of such direction by the administering agency, the Consultant may request that the United States enter into such litigation to protect the interests of the United States.

8. Pursuant to California Labor Code Section 1735, as added by Chapter 643 Stats. 1939, and as amended, no discrimination shall be made in the employment of persons upon public works because of race, religious creed, color, national origin, ancestry, physical handicaps, mental condition, marital status, or sex of such persons, except as provided in Section 1420, and any consultant of public works violating this Section is subject to all the penalties imposed for a violation of the Chapter.

Signed: Kassie J Rademacher

Title: Principal

Firm: CliftonLarsonAllen LLP

Date: 2/29/24

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE PROPOSAL.
PROPOSALS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

Appendix

Your service team biographies



Kassie Radermacher, CPA, CFE

CLA (CliftonLarsonAllen LLP)

Principal
Irvine, California

714-795-5382
kassie.radermacher@CLAconnect.com



Profile

Kassie is a principal in CLA's Irvine office and is licensed as a CPA in California. She has over 19 years of experience and is skilled in performing of local governmental audits including cities, special districts, successor/redevelopment agencies, single audit of federal grants, compliance audits and agreed-upon procedures engagements. As a Certified Fraud Examiner she has unique skills and knowledge available to guide clients during sensitive times. As an assurance principal, Kassie is involved with planning the audit, developing the audit approach, supervising staff, preparing Annual Comprehensive Financial Reports and other financial statements, and maintaining client contact throughout the engagement and throughout the year. She is dedicated and passionate about the state and local government industry and takes pride in providing client satisfaction through a hands-on approach.

Technical experience

- Local government, including cities and special districts

Education and professional involvement

- Master of professional accountancy from West Virginia University, Morgantown, West Virginia
- Bachelor's in forensic science, with an emphasis in crime scene analysis, from West Virginia University, Morgantown, West Virginia
- Certified Public Accountant in the states of California and Virginia
- Certified Fraud Examiner
- American Institute of Certified Public Accountants (AICPA)
- Association of Certified Fraud Examiner, member
- California Society of Municipal Finance Officers (CSMFO)
- California Society of Certified Public Accountants (CalCPA)

Key relevant clients

Cities

- La Cañada Flintridge
- La Habra
- Lake Forest
- Hesperia
- Santa Ana
- Westminster
- Temple City
- Victorville

Special Districts

- Casitas Municipal Water District
- Midway City Sanitary District
- Orange County Mosquito & Vector Control District
- Serrano Water District
- Western Municipal Water District
- Western Riverside County Regional Wastewater Authority

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Tiffany Fung, CPA

CLA (CliftonLarsonAllen LLP)

Signing Director
Irvine, California

714-795-5407
tiffany.fung@CLAconnect.com



Profile

Tiffany is a signing director at CLA's Irvine office. She has more than 13 years of experience and focuses on overseeing all phases of local governmental audits including cities, successor agencies/redevelopment agencies, single audit of federal grants, special districts, and agreed-upon procedures engagements. As a signing director, Tiffany is responsible for planning and executing audits, ensuring compliance with regulatory requirements, preparation of financial statements, and supervision and training of staff accountants.

Technical experience

- Local government audits, including cities and special districts

Education and professional involvement

- Bachelor of art in economics with a minor in accounting from University of California Irvine
- Certified Public Accountant for the state of California
- American Institute of Certified Public Accountants (AICPA)
- California Society of Municipal Finance Officers (CSMFO)

Local government experience

Cities

- | | | |
|--------------------|------------------|---------------|
| • El Segundo | • Norwalk | • Tustin |
| • Santa Fe Springs | • La Habra | • Glendale |
| • Westminster | • Santa Ana | • Vernon |
| • Lake Forest | • West Hollywood | • San Gabriel |

Special Districts

- | | |
|--------------------------------------|--|
| • Coachella Valley Water District | • South Coast Water District |
| • Inland Empire Utilities Agency | • Moulton Niguel Water District |
| • Laguna Beach County Water District | • Western Municipal Water District |
| • Orange County Water District | • Western Riverside County Regional Wastewater Authority |

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Daphnie Munoz, CPA

CLA (CliftonLarsonAllen LLP)

Audit and Assurance Principal
Irvine, California

714-978-1300

daphnie.munoz@CLAconnect.com



Profile

Daphnie is an assurance principal at our CLA's Irvine office. She has 25 years' experience with a focus on state and local government audit and assurance services. She earned her CPA designation in 2001 and became an audit and assurance principal in 2011. A key figure in the firm's government audit practice, Daphnie works closely with government entities to provide in-depth attestation services, including single audits. She has extensive experience with a wide range of local government related audit engagements, including cities, successor agencies/redevelopment agencies, federal grants, special districts, compliance audits, and agreed-upon procedures engagements.

Technical experience

- Government entities, including nonprofits and special districts

Education and professional involvement

- Bachelor of science in accounting from De La Salle University, Manila
- Certified Public Accountant in the state of California
- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- California Society of Municipal Finance Officers (CSMFO)
- Government Finance Officers Association (GFOA)

Local government experience

Special Districts

- Grossmont Healthcare District
- Fairbanks Community Services District
- Heber Public Utilities District
- Midway City Sanitary District
- Placentia Library District
- Rancho Santa Fe Community Services District
- Valley Wide Recreation and Park District
- Vista Irrigation District
- Whispering Palms Community Services District
- Western Municipal Water District
- Yorba Linda Water District

Continuing professional education

Total hours were 166 in the last three years, of which 102 hours were for meeting the requirements of the *Government Auditing Standards*.

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Robert Perl, CPA

CLA (CliftonLarsonAllen LLP)

Manager
Irvine, California

714-795-5458
rob.perl@CLAconnect.com



Profile

Rob is an assurance manager at CLA's Irvine office in our state and local government industry team and is licensed as a CPA in California. He has more than 16 years of experience in performing audits and consultations for government agencies and nonprofit organizations, including single audits and agreed-upon procedures. He is also well versed in data analytics and cybersecurity for finance and accounting, which provides a unique benefit for our clients.

Technical experience

- Local government agencies, including cities, nonprofits, and special districts
- Data analytics
- Cybersecurity for finance and accounting

Education and professional involvement

- Bachelor of accounting from Brigham Young University, Laie, Hawaii
- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)

Key relevant clients

Cities:

- | | | |
|------------|---------------|---------------|
| • Burbank | • Lake Forest | • Santa Ana |
| • Gilroy | • Lancaster | • Victorville |
| • Hesperia | • Murrieta | |

Counties:

- County of Kern

Special District:

- Monterey Peninsula Regional Park District

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Rebecca Hoang Tai, CPA

CLA (CliftonLarsonAllen LLP)

Director
Irvine, California

714-795-5442
rebecca.hoang@CLAconnect.com



Profile

Rebecca is a director at our CLA's Irvine office since 2012 and has been an integral member of the team. In this role, she specializes in governmental agencies but has also worked with clients in a wide variety of industries, including manufacturing, professional services, construction contracting, and employee benefit plans.

A knowledgeable professional, Rebecca is a great resource for her teammates. She credits her career success to having both a great support system and a number of wonderful mentors to guide her along the way. She was inspired to pursue a career in accounting after several introductory accounting classes she took in college sparked her interest.

Technical experience

- Local government audits, including cities and special districts

Education and professional involvement

- Bachelor of Arts in business economics from University of California, Irvine
- Certified Public Accountant in the state of California
- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)

Local government experience

- Laguna Beach County Water District
- Midway Sanitary District
- City of Escondido
- City of Norco
- City of Lake Forest
- City of Vernon
- City of Colton
- City of Irvine
- City of Temple City
- City of Chino

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Stephen Coverstone, CPA

CLA (CliftonLarsonAllen LLP)

Senior Associate
Irvine, California

714-795-5362
stephen.coverstone@CLAconnect.com



Profile

Stephen is a senior associate with CLA working primarily with state and local governments. Stephen has more than five years experience performing audits for local governments. Proven to deliver high quality work products using efficient and effective communication styles, problem-solving leadership, and detail-oriented planning abilities. Continues to develop and apply a growing knowledge of different accounting principles and auditing standards throughout every engagement. Strives to ensure all engagements are progressing timely and being accurately carried out by working directly with experienced staff, as well as engagement leaders. In-charges the overall audit process including the planning, performing, and preparation of numerous financial statement audits, single audits, and agreed upon procedures for various cities and water districts.

Technical experience

- Local government audits, including cities and special districts

Education and professional involvement

- Bachelor of science in accounting from Portland State University in Portland, Oregon
- Certified Public Accountant in the state of California
- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants

Local government experience

- | | | |
|--|-----------------------|-------------------------|
| • Inland Empire Utilities Agency | • City of Colton | • City of Santa Barbara |
| • Moulton Niguel Water District | • City of Escondido | • City of Camarillo |
| • La Habra Heights County Water District | • City of Pico Rivera | • City of Irvine |
| • Valley Wide Recreation and Park District | • City of Placentia | |

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