



BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 27-2016

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA APPROVES RENEWAL OF RFP NO. 2012-111 TO CHERRY BEKAERT LLP, ORLANDO, FLORIDA, THE MOST QUALIFIED FIRM TO PROVIDE MUNICIPAL AUDIT SERVICES FOR THE FOURTH OF FOUR RENEWAL PERIODS THROUGH MARCH 25, 2017, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart hereby approves the fourth of four renewal periods, of Request for Proposal No. 2012-111, Municipal Audit Services, to Cherry Bekaert LLP, of Orlando, Florida, for the period March 26, 2016 through March 25, 2017.

SECTION 2: This resolution shall take effect upon adoption.

Resolution No. 27-2016
Approve Renewal of RFP No. 2012-111, Municipal Audit Services

ADOPTED this 14th day of March 2016.

Commissioner CLARKE offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner MCDONALD and upon being put to a roll call vote, the vote was as follows:

JEFFREY KRAUSKOPF, MAYOR
EULA CLARKE, VICE MAYOR
TOM CAMPENNI, COMMISSIONER
KELLI GLASS LEIGHTON, COMMISSIONER
TROY MCDONALD, COMMISSIONER

YES	NO	ABSENT
x		
x		
x		
		x
x		

ADOPTED this 14^h day of March, 2016.

ATTEST:



CHERYL WHITE
CITY CLERK



JEFFREY KRAUSKOPF
MAYOR

REVIEWED FOR FORM AND
CORRECTNESS:



MICHAEL MORTELL
CITY ATTORNEY



III. AGREEMENT PROVISIONS

Section 1. Time of Performance

This Agreement shall be awarded for an initial term of one (1) year, to begin upon execution of this agreement. The Agreement may be renewed for four (4) additional one year period(s) provided both parties agree and all terms and conditions remain the same. Any amendment to the Agreement shall be subject to fund availability and mutual written agreement between the CITY and CONTRACTOR. Extension of the contract for additional thirty (30) day periods for the convenience of either party shall be permissible at the mutual consent of both parties.

Section 2. Compensation and Method of Payment

2.1 Fee Schedule

The CITY shall compensate the CONTRACTOR for performing these services as specified in Exhibit A – “CONTRACTOR’S Response to RFP #2012-111 As Accepted by CITY”, specifically the Dollar Cost Proposal. Prices for Comprehensive Annual Financial Reports are:

FY ‘12/’13 - \$69,000;
FY ‘13/’14 - \$70,587;
FY ‘14/’15 - \$72,174;
FY ‘15/’16 - \$73,761;
FY ‘16/’17 - \$75,033.

Directed Additional Services will be charged at personnel hourly rates as noted in Exhibit A. These costs exclude cost for any Single Audit procedures. Single Audit cost will be at the following annual rates:

FY 2012/2013 - \$7,500
FY 2013/2014 - \$7,673
FY 2014/2015 - \$7,846
FY 2015/2016 - \$8,019
FY 2016/2017 - \$8,157

2.2 Invoices

CONTRACTOR shall submit monthly invoices to the CITY no later than the 30th day of the month for work accomplished under this Agreement.

2.3 Payment

Payment for services rendered is due upon receipt of invoice by CITY. Payment is delinquent 30 days following receipt and approval of invoice by CITY.



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Department of Financial Services
Procurement & Contracting Services Division

Telephone (772) 288-5308
Fax: (772) 600-0134
www.cityofstuart.us

Lenora Darden, CPPB
Procurement Manager
ldarden@ci.stuart.fl.us

February 9, 2016

Via Email Transmission: raconrad@cbh.com

Cherry Bekaert LLP
Attn: Ronald A. Conrad, Partner
800 North Magnolia Avenue, Suite 1300
Orlando, FL 32803

Subject: Renewal of Agreement for RFP #2012-111, Municipal Audit Services

Dear Mr. Conrad,

This is official notification to your firm that the City of Stuart is satisfied with your firm's performance and wishes to extend your current contract for Municipal Audit Services, for the period beginning March 26, 2016 and ending on March 25, 2017, which represents the fourth of four (one year) renewal options. This extension is granted under the same terms, conditions, and pricing as the original contract. In addition, we need a current copy of Certification of Liability, Property Damage, and Automobile Liability, and Worker's Compensation as outlined in the RFP.

Please complete the bottom portion of this letter if your firm will agree to the requested renewal. Your response must be received **no later than 4:00 p.m., February 17, 2016**. You may fax your response to (772) 600-0134 or send by email to ldarden@ci.stuart.fl.us.

Thank you for your cooperation and immediate attention to this matter. Please contact me at (772) 288-5308, if you should have any questions.

Best Regards,

Lenora Darden, CPPB
Procurement Manager

cc: Louis Boglioli, Financial Services Director
2012-111 File

I hereby agree to the contract renewal as specified of the subject Agreement

I am unable to agree to the contract renewal as specified of the subject Agreement

Ronald A. Conrad
(Signature)

Ronald A. Conrad
Printed Name

2/9/16
Date

Partner
Title



BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 25-2015

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA APPROVES RENEWAL OF RFP NO. 2012-111 TO CHERRY BEKAERT LLP, ORLANDO, FLORIDA, THE MOST QUALIFIED FIRM TO PROVIDE MUNICIPAL AUDIT SERVICES FOR THE THIRD OF FOUR RENEWAL PERIODS THROUGH MARCH 25, 2016, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart hereby approves the third of four renewal periods, of Request for Proposal No. 2012-111, Municipal Audit Services, to Cherry Bekaert LLP, of Orlando, Florida, for the period March 26, 2015 through March 25, 2016.

SECTION 2: This resolution shall take effect upon adoption.

Resolution No. 25-2015
Approve Renewal of RFP No. 2012-111, Municipal Audit Services

ADOPTED this 9th day of March 2015.

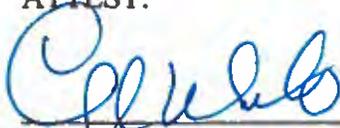
Commissioner CAMPENNI offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner MCDONALD and upon being put to a roll call vote, the vote was as follows:

KELLI GLASS LEIGHTON, MAYOR
JEFFREY KRAUSKOPF, VICE MAYOR
TOM CAMEPNNI , COMMISSIONER
EULA CLARKE, COMMISSIONER
TROY MCDONALD, COMMISSIONER

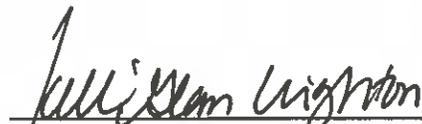
YES	NO	ABSENT
		X
X		
X		
X		
X		

ADOPTED this 9th day of March, 2015.

ATTEST:



CHERYL WHITE
CITY CLERK



KELLI GLASS LEIGHTON
MAYOR

REVIEWED FOR FORM AND
CORRECTNESS:



MICHAEL MORTELL
CITY ATTORNEY



III. AGREEMENT PROVISIONS

Section 1. Time of Performance

This Agreement shall be awarded for an initial term of one (1) year, to begin upon execution of this agreement. The Agreement may be renewed for four (4) additional one year period(s) provided both parties agree and all terms and conditions remain the same. Any amendment to the Agreement shall be subject to fund availability and mutual written agreement between the CITY and CONTRACTOR. Extension of the contract for additional thirty (30) day periods for the convenience of either party shall be permissible at the mutual consent of both parties.

Section 2. Compensation and Method of Payment

2.1 Fee Schedule

The CITY shall compensate the CONTRACTOR for performing these services as specified in Exhibit A – “CONTRACTOR’S Response to RFP #2012-111 As Accepted by CITY”, specifically the Dollar Cost Proposal. Prices for Comprehensive Annual Financial Reports are:

FY ‘12/’13 - \$69,000;
FY ‘13/’14 - \$70,587;
FY ‘14/’15 - \$72,174;
FY ‘15/’16 - \$73,761;
FY ‘16/’17 - \$75,033.

Directed Additional Services will be charged at personnel hourly rates as noted in Exhibit A. These costs exclude cost for any Single Audit procedures. Single Audit cost will be at the following annual rates:

FY 2012/2013 - \$7,500
FY 2013/2014 - \$7,673
FY 2014/2015 - \$7,846
FY 2015/2016 - \$8,019
FY 2016/2017 - \$8,157

2.2 Invoices

CONTRACTOR shall submit monthly invoices to the CITY no later than the 30th day of the month for work accomplished under this Agreement.

2.3 Payment

Payment for services rendered is due upon receipt of invoice by CITY. Payment is delinquent 30 days following receipt and approval of invoice by CITY.



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Department of Financial Services
Procurement & Contracting Services Division

Lenora Darden, CPPB
Procurement Buyer
ldarden@ci.stuart.fl.us

Telephone (772) 288-5308
Fax: (772) 600-0134
www.cityofstuart.us

January 20, 2015

Via Email Transmission: raconrad@cbh.com

Cherry Bekaert LLP
Attn: Ronald A. Conrad, Partner
800 North Magnolia Avenue, Suite 1300
Orlando, FL 32803

Subject: Renewal of Agreement for RFP #2012-111, Municipal Audit Services

Dear Mr. Conrad,

This is official notification to your firm that the City of Stuart is satisfied with your firm's performance and wishes to extend your current contract for Municipal Audit Services, for the period beginning March 26, 2015 and ending on March 25, 2016, which represents the third of four (one year) renewal options. This extension is granted under the same terms, conditions, and pricing as the original contract. In addition, we need a current copy of Certification of Liability, Property Damage, and Automobile Liability, and Worker's Compensation as outlined in the RFP.

Please complete the bottom portion of this letter if your firm will agree to the requested renewal. Your response must be received **no later than 4:00 p.m., February 17, 2015**. You may fax your response to (772) 600-0134 or send by email to ldarden@ci.stuart.fl.us.

Thank you for your cooperation and immediate attention to this matter. Please contact me at (772) 288-5308, if you should have any questions.

Best Regards,

Lenora Darden, CPPB
Procurement Buyer

cc: Dorothy Zaharako, Financial Services Director
2012-111 File

- I hereby agree to the contract renewal as specified of the subject Agreement
- I am unable to agree to the contract renewal as specified of the subject Agreement

Ronald A. Conrad
(Signature)

Ronald A. Conrad
Printed Name

2/18/15
Date

Partner
Title



BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 09-2014

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA RENEWING THE AWARD OF RFP NO. 2012-111 TO CHERRY BEKAERT LLP, ORLANDO, FLORIDA, THE MOST QUALIFIED FIRM TO PROVIDE MUNICIPAL AUDIT SERVICES FOR THE SECOND OF FOUR RENEWAL PERIODS THROUGH MARCH 25, 2015, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

NOW TEHREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart hereby approves the second of four renewal periods of Request for Proposal No. 2012-111, Municipal Audit Services, to Cherry Bekaert LLP, of Orlando, Florida, for the period March 26, 2014 through March 25, 2015.

SECTION 2: This resolution shall take effect upon adoption.

Res. 09-2014

Renewal Period for RFP No. 2012-111, Municipal Audit Services

ADOPTED this 10th day of February 2014.

Commissioner KRAUSKOPF offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner GLASS LEIGHTON and upon being put to a roll call vote, the vote was as follows:

TROY MCDONALD, MAYOR

KELLI GLASS-LEIGHTON, VICE MAYOR

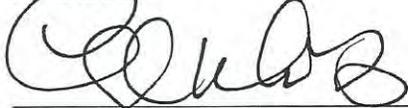
JAMES A. CHRISTIE, COMMISSIONER

JEFFERY A. KRAUSKOPF, COMMISSIONER

EULA R. CLARKE, COMMISSIONER

YES	NO	ABSENT
X		
X		
X		
X		
X		

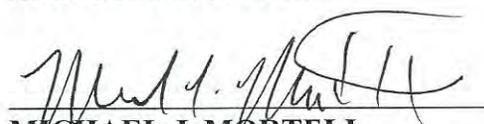
ATTEST:



CHERYL WHITE
CITY CLERK


TROY MCDONALD
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:


MICHAEL J. MORTELL
CITY ATTORNEY



City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Department of Financial Services
Procurement & Contracting Services Division

Telephone (772) 288-5308
Fax: (772) 600-0134
www.cityofstuart.us

Lenora Darden, CPPB
Procurement Buyer
ldarden@ci.stuart.fl.us

January 6, 2014

Via Email Transmission: raconrad@cbh.com

Cherry Bekaert LLP
Attn: Ronald A. Conrad, Partner
800 North Magnolia Avenue, Suite 1300
Orlando, FL 32803

Subject: Renewal of Agreement for RFP #2012-111, Municipal Audit Services

Dear Mr. Conrad,

This is official notification to your firm that the City of Stuart is satisfied with your firm's performance and wishes to extend your current contract for Municipal Audit Services, for the period beginning March 26, 2014 and ending on March 25, 2015, which represents the second of four (one year) renewal options. This extension is granted under the same terms, conditions, and pricing as the original contract. In addition, we need a current copy of Certification of Liability, Property Damage, and Automobile Liability, and Worker's Compensation as outlined in the RFP.

Please complete the bottom portion of this letter if your firm will agree to the requested renewal. Your response must be received **no later than 4:00 p.m., January 31, 2014**. You may fax your response to (772) 600-0134 or send by email to ldarden@ci.stuart.fl.us.

Thank you for your cooperation and immediate attention to this matter. Please contact me at (772) 288-5308, if you should have any questions.

Best Regards,

Lenora Darden, CPPB
Procurement Buyer

cc: Dorothy Zaharako, Financial Services Director
2012-111 File

-
- I hereby agree to the contract renewal as specified of the subject Agreement
 I am unable to agree to the contract renewal as specified of the subject Agreement

Ronald A. Conrad

(Signature)

Ronald A. Conrad

Printed Name

1/6/14

Date

Partner

Title

III. AGREEMENT PROVISIONS

Section 1. Time of Performance

This Agreement shall be awarded for an initial term of one (1) year, to begin upon execution of this agreement. The Agreement may be renewed for four (4) additional one year period(s) provided both parties agree and all terms and conditions remain the same. Any amendment to the Agreement shall be subject to fund availability and mutual written agreement between the CITY and CONTRACTOR. Extension of the contract for additional thirty (30) day periods for the convenience of either party shall be permissible at the mutual consent of both parties.

Section 2. Compensation and Method of Payment

2.1 Fee Schedule

The CITY shall compensate the CONTRACTOR for performing these services as specified in Exhibit A – “CONTRACTOR’S Response to RFP #2012-111 As Accepted by CITY”, specifically the Dollar Cost Proposal. Prices for Comprehensive Annual Financial Reports are:

FY ‘12/’13 - \$69,000;
FY ‘13/’14 - \$70,587;
FY ‘14/’15 - \$72,174;
FY ‘15/’16 - \$73,761;
FY ‘16/’17 - \$75,033.

Directed Additional Services will be charged at personnel hourly rates as noted in Exhibit A. These costs exclude cost for any Single Audit procedures. Single Audit cost will be at the following annual rates:

FY 2012/2013 - \$7,500
FY 2013/2014 - \$7,673
FY 2014/2015 - \$7,846
FY 2015/2016 - \$8,019
FY 2016/2017 - \$8,157

2.2 Invoices

CONTRACTOR shall submit monthly invoices to the CITY no later than the 30th day of the month for work accomplished under this Agreement.

2.3 Payment

Payment for services rendered is due upon receipt of invoice by CITY. Payment is delinquent 30 days following receipt and approval of invoice by CITY.



**BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA**

RESOLUTION NUMBER 28-2013

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA RENEWING THE AWARD OF RFP No. 2011-111 TO CHERRY BEKAERT LLP, THE MOST QUALIFIED FIRM TO PROVIDE MUNICIPAL AUDIT SERVICES FOR THE FIRST OF FOUR RENEWAL PERIODS TO MARCH 25, 2014, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart, Florida approves the first of four one year renewal periods of RFP No. 2011-111 to Cherry Bekaert LLP of Orlando, Florida, to provide Municipal Audit Services.

SECTION 2: The City Commission authorizes the Mayor, City Clerk and any other designated City Official to execute the necessary documents, after review and approval of the City Attorney.

SECTION 3: This resolution shall take effect upon adoption.

Res.28-2013
Renew Contract for Municipal Audit Services

Commissioner MCDONALD offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner KRAUSKOPF and upon being put to a roll call vote, the vote was as follows:

EULA R. CLARKE, MAYOR
TROY A. McDONALD., VICE MAYOR
JEFFREY A. KRAUSKOPF, COMMISSIONER
KELLI GLASS LEIGHTON, COMMISSIONER
JAMES A. CHRISTIE, Jr, COMMISSIONER

YES	NO	ABSENT
X		
X		
X		
X		
X		

ADOPTED this 11th day of March, 2013.

ATTEST:



CHERYL WHITE
CITY CLERK

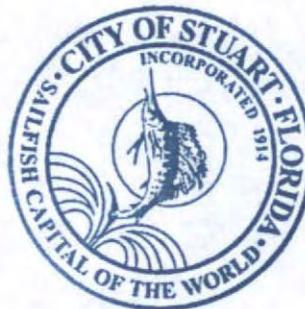


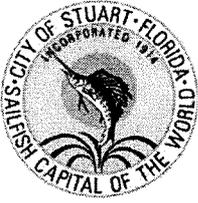
EULA R. CLARKE
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:



MICHAEL D. DURHAM
CITY ATTORNEY





City of Stuart

300 SW St. Lucie Avenue • Stuart • Florida 34994
Department of Financial Services
Purchasing Division

Lenora Darden, CPPB
Procurement Buyer
ldarden@ci.stuart.fl.us

Telephone (772) 288-5308
Fax: (772) 600-0134
www.cityofstuart.us

February 6, 2013

Via Email Transmission: raconrad@cbh.com

Cherry Bekaert LLP
Attn: Ronald A. Conrad, Partner
800 North Magnolia Avenue, Suite 1300
Orlando, FL 32803

Subject: Renewal of Agreement for RFP #2012-111, Municipal Audit Services

Dear Mr. Conrad,

This is official notification to your firm that the City of Stuart is satisfied with your firm's performance and wishes to extend your current contract for Municipal Audit Services, for the period beginning March 26, 2013 and ending on March 25, 2014, which represents the first of four (one year) renewal options. This extension is granted under the same terms, conditions, and pricing as the original contract. In addition, we need a current copy of Certification of Liability, Property Damage, and Automobile Liability, and Worker's Compensation as outlined in the RFP.

Please complete the bottom portion of this letter if your firm will agree to the requested renewal. Your response must be received **no later than 4:00 p.m., February 25, 2013**. You may fax your response to (772) 288-5381 or send by email to ldarden@ci.stuart.fl.us.

Thank you for your cooperation and immediate attention to this matter. Please contact me at (772) 288-5308, if you should have any questions.

Best Regards,

Lenora Darden, CPPB
Procurement Buyer

cc: Dorothy Zaharako, Financial Services Director
2012-111 File

-
- I hereby agree to the contract renewal as specified of the subject Agreement
 I am unable to agree to the contract renewal as specified of the subject Agreement

Ronald A. Conrad
(Signature)

Ronald A. Conrad
Printed Name

2/6/13
Date

Partner
Title



CERTIFICATE OF LIABILITY INSURANCE

CHERR-2 OP ID: SH

DATE (MM/DD/YYYY)
02/12/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Scott Insurance (Rich) 1700 Bayberry Court Ste. 200 Richmond, VA 23226 Hutch Mauck-Richmond	Phone: 804-545-2200 Fax: 804-545-2201	CONTACT NAME: Stacey W. Hall PHONE (A/C, No, Ext): 804-545-2216 FAX (A/C, No): 434-455-8938 E-MAIL ADDRESS: shall@scottins.com													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Great Northern Ins Co (A++)</td> <td>20303</td> </tr> <tr> <td>INSURER B: CINCINNATI INS CO (A+)</td> <td>10677</td> </tr> <tr> <td>INSURER C: Chubb Indemnity Ins Co (A++)</td> <td>12777</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Great Northern Ins Co (A++)	20303	INSURER B: CINCINNATI INS CO (A+)	10677	INSURER C: Chubb Indemnity Ins Co (A++)	12777	INSURER D:		INSURER E:		INSURER F:
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INSURER D:															
INSURER E:															
INSURER F:															
INSURED Cherry Bekaert LLP Ray Christopher PO Box 27327 Richmond, VA 23261-7327															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO.JECT <input checked="" type="checkbox"/> LOC	X		3589-47-97 RIC	10/01/2012	10/01/2013	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/PROP AGG \$ 2,000,000 Emp Ben. \$ 1,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$						
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			(11)7356-41-52	10/01/2012	10/01/2013	BODILY INJURY (Per person) \$
	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000						EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below.	Y/N	NIA	(13)7171-66-16	10/01/2012	10/01/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
	E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Additional Insured, if required in a written contract, City of Stuart, Florida. Ref: RFP #2012-111, Municipal Audit Services

CERTIFICATE HOLDER CITYSTU City of Stuart, Florida Lenora Darden, CPPB Procurement Buyer 300 SW St. St. Lucie Ave Stuart, FL 34994	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--

Cherry, Bekaert & Holland, L.L.P.

The Firm of Choice.



Proposal to Provide Municipal Audit Services

City of Stuart, Florida

RFP #2012-111

Wednesday, February 15, 2012

PDF



Ronald A. Conrad
Partner

Cherry, Bekaert & Holland, L.L.P.

800 N. Magnolia Avenue
Suite 1300
Orlando, Florida 32803

407.423.7911
407.841.4887 fax
raconrad@cbh.com
www.cbh.com

Solutions.

Character.

Depth.



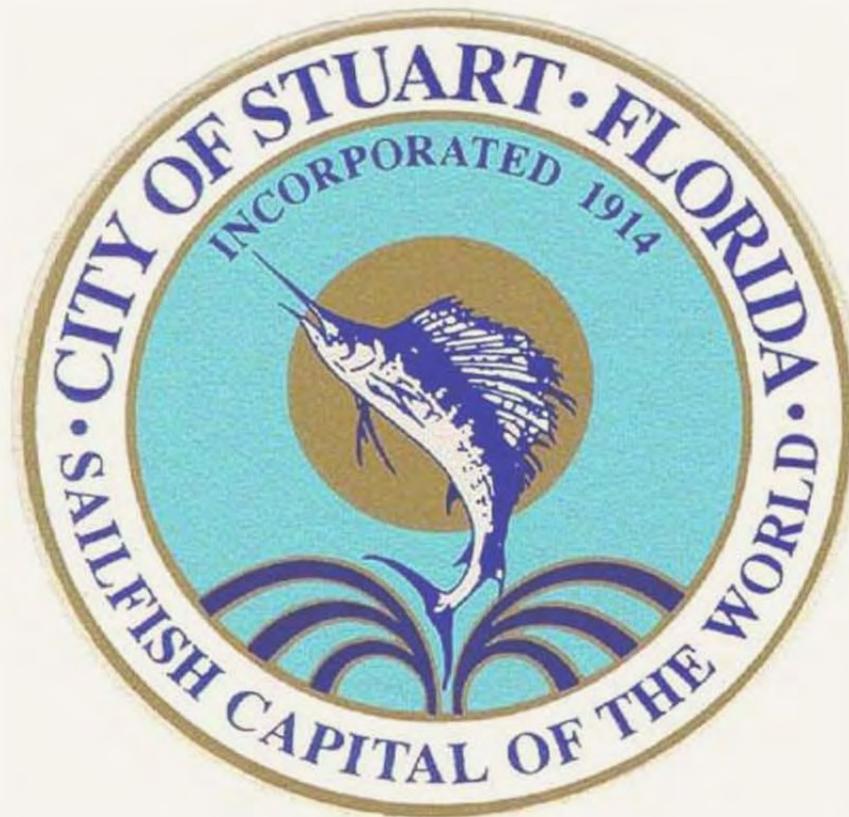
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1. Transmittal Letter





Cherry, Bekaert & Holland, L.L.P.

The Firm of Choice.

www.cbh.com

800 N. Magnolia Avenue, Suite 1300
Orlando, Florida 32803
phone 407.423.7911
fax 407.841.4887

1. Transmittal Letter

February 15, 2012

Auditor Selection Committee
City of Stuart
Purchasing Division
121 S.W. Flagler Avenue
Stuart, Florida 34994

Dear Auditor Selection Committee Members:

Cherry, Bekaert & Holland, L.L.P. ("CB&H") is pleased to submit this proposal to provide auditing services for the City of Stuart, Florida (the "City") for the fiscal year ending September 30, 2012, with the option to audit the City's financial statements for four annual extensions. Having served the City for the past six years, we are well aware of the effort required and have the resources available without conflict to perform an effective audit of your financial statements and federal and state financial assistance in accordance with applicable requirements.

The audit of the City represents a significant task, requiring extensive resources, top priority and professionals who are highly knowledgeable with respect to the specific requirements subject to this proposal. CB&H professionals have devoted thousands of hours serving the City and thousands more serving other cities throughout Florida. As a result of this experience and accumulated knowledge, CB&H has been able to work with City personnel to refine processes, enhance timeliness and address matters of primary significance in a positive, proactive manner.

The Qualifications of Staff section of this proposal provides a detailed discussion of the knowledge, experience and depth of expertise among our professionals proposed to serve the City. The Qualifications of Firm section that follows provides an overview of CB&H as a firm, including our excellent record of quality services and our status as the largest firm based in the Southeast with government as its primary focus. Finally, the Technical Approach section provides the audit process we have refined with City personnel, highlighting proactive planning, extensive partner and manager participation, and flexible scheduling to accommodate the needs of the City.

Thank you for this opportunity to present our professional qualifications. With CB&H, the City will continue to be a highly prioritized and premier client, receiving the continued benefit of highly knowledgeable professionals who understand the City's operations. Please contact me, as an authorized representative, should you require additional information or clarification. Contact information is included on the cover of this proposal.

Sincerely,

CHERRY, BEKAERT & HOLLAND, L.L.P.

Ronald A. Conrad
Partner



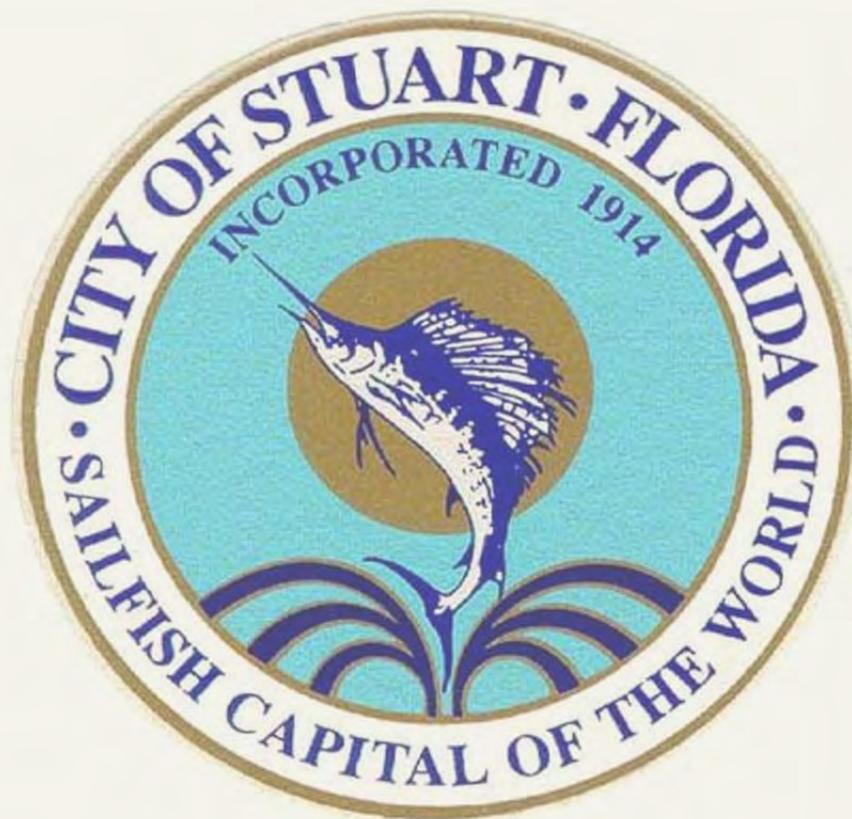
Executive Summary

CB&H has excellent credentials to continue to serve the City, with a combination of superior expertise, extensive resources and local presence. Highlighted below are key distinguishing factors:

- CB&H is the largest accounting firm based in the Southeast United States with a primary focus on public sector services. With services provided throughout the United States and approximately 200 professionals in Florida, CB&H is nationally recognized and has an excellent reputation. Our size, structure, resources and broad capabilities assures continuing depth of expertise and availability of service disciplines available to assist beyond the basic audit.
- CB&H has accumulated a significant depth of knowledgeable professionals to serve the City. These professionals do not have conflicts with other engagements; they have served the City in the past and are available to continue providing top priority services. In addition, our proposed engagement partner is the technical director for the CB&H firm-wide government practice and maintains a high degree of involvement with the audit of the City.
- CB&H services for the City have always been timely, our professional relationship has always been positive and our services have gone beyond the ordinary without charge. CB&H has always been proactive and responsive with high quality insights and assistance. Where appropriate, CB&H has utilized assistance from standard setting and other regulatory authorities to ensure answers provided have been thoroughly addressed.
- Our local practice is more than 90% public sector, with more than 35,000 hours of services provided year-round to numerous counties, cities, school districts, state agencies and other districts and authorities. Accordingly, our professionals are current on industry matters and requirements.
- CB&H audit programs and processes are tailored specifically to the City, streamlined through years of experience serving the City and numerous similar organizations. We understand the City's operations, have always been flexible in working with City personnel, and have continued to improve timeliness and processes. With CB&H, there will be no required training of auditors or need to recreate documentation.
- Our professional services include preparation of the City's CAFR and use of software which is compatible with that of the City. The City has received the Certificate of Achievement for Excellence in Financial Reporting during each of the years we have served as independent auditors, and we have continued to refine the CAFR process so that a draft is available at the start of year-end procedures.
- CB&H serves as independent auditors for Martin County, providing additional local presence and knowledge among CB&H service team members.

2. Independence

3. License to Practice in Florida





2. Independence

Cherry, Bekaert & Holland, L.L.P. ("CB&H") expressly affirms that it is independent of the City of Stuart and each of its component units, as defined by generally accepted auditing standards and the United States General Accounting Office's *Government Auditing Standards*. CB&H does not have, and has not had for the past five (5) years, any professional relationships involving the City other than that as independent auditors.

Independence is a key topic for consideration by every organization affected by or having authority over the accounting profession. CB&H understands the importance of auditor independence, and maintains strict policies designed to ensure our independence on all engagements. We commit to giving the City written notice of any potentially conflicting professional relationships entered into during the period of engagement.

3. License to Practice in Florida

CB&H affirms that the Firm and all assigned key professional staff are properly licensed to practice in the State of Florida.

4. Firm Qualifications and Experience





4. Firm Qualifications and Experience

About Cherry, Bekaert & Holland, L.L.P.



CB&H is one of the largest CPA firms headquartered in the Southeast, including a personnel complement in excess of 800. Established in 1947, CB&H ranks as one of the Top 30 largest CPA firms in the nation. We offer the highest caliber of personal attention, responsiveness, and accessibility the City expects and deserves — coupled with the firm-wide resources to satisfy your needs. Today, the Firm comprises a broad network of professionals offering a wide range of quality services to over 25,000 clients. Our significant growth is directly related to our strong commitment to our people and our clients.

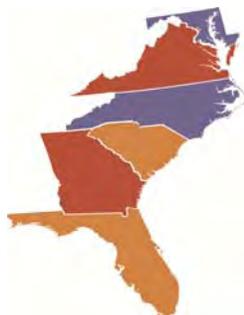
National and International Resources



CB&H is an independent member of Baker Tilly International, a global alliance of more than 150 premier accounting and consulting practices focused on serving the global needs of growing enterprises. As the 8th largest network in the world, ranked by fee income, Baker Tilly International has over 600 offices in 120 countries with a staff of more than 25,000.

CB&H is a founding member of this alliance, which offers a powerful fusion of local expertise with global reach. Baker Tilly International members — all prominent practices in their home markets — are skilled at helping enterprises compete effectively in the global arena.

Regional Resources



Headquartered in Richmond, Virginia, CB&H has practice offices in Virginia, North and South Carolina, Georgia and Florida. CB&H provides a unique alternative to other national, regional and local firms. Clients choose us to be their accounting firm primarily because we provide the depth of knowledge and experience of a national firm and the attention and service of a large local firm. Our clients appreciate the ability to access the level of resources and capabilities of a national firm while enjoying the benefits of direct partner involvement; staff continuity; communication; responsiveness; and tailored, streamlined service plans, all of which are hallmarks of CB&H service.

Local Service Commitment



CB&H has approximately 200 people and five office locations in Florida: Orlando, Tampa Bay, Miami, Fort Lauderdale and West Palm Beach. These offices, in conjunction with our full regional practice network, serve clients throughout the state.

CB&H is well-established in the Florida business community, and successfully services clients throughout the state in a variety of industries. Government services represent the most significant portion of our Florida practice.



The principal office responsible for the City of Stuart audit will be the Orlando office, which represents the largest government practice in our Firm and includes a significant concentration of highly knowledgeable government professionals with extensive experience serving Florida cities.

Notable clients served by our Orlando office include:

- City of Ft. Myers
- City of Haines City
- City of North Port
- City of Stuart
- Town of Eatonville
- Village of Islamorada
- Charlotte County
- Hillsborough County
- Lee County
- Martin County
- Monroe County
- Orange County
- District School Board of Collier County
- District School Board of Duval County
- District School Board of Escambia County
- District School Board of Lee County
- District School Board of Osceola County
- District School Board of Polk County
- District School Board of Seminole County
- District School Board of St. Lucie County
- Enterprise Florida
- LYNX
- Orange County Library District
- State of Florida

As indicated by clients listed, our practice is highly concentrated on serving government organizations, and our local professionals are very specialized in this area.

Our Orlando professional staff consists of the following:

	Total Orlando
Partners	2
Senior Managers	1
Managers	3
Seniors	8
Staff	11
Other Client Service and Support	2
Total	27

Government Services Group



For CB&H, the coordination and allocation of resources and talents is accomplished through the Government Services Group (GSG). The GSG is responsible for assuring seamless service delivery, quality control and continuing education for government engagements throughout CB&H. The commitment of CB&H to government service is demonstrated by our sustained growth in this practice area as well as the depth of experience of personnel in this group. As a result of this commitment, our personnel have extensive knowledge of the methods and techniques applicable to government auditing, and have applied this knowledge successfully for many clients. **Currently, over 120 professionals provide services to government entities.**



CB&H is committed to providing auditing and consulting services to governmental organizations. We audit over 100 local governments, authorities and public agencies throughout the Southeastern United States. In addition, CB&H conducts performance audits and provides consulting services to numerous other government organizations throughout the Southeast.

Overall Governmental Auditing Experience

Public sector auditing, specifically for government entities, is the largest audit segment firm-wide. CB&H has created a specialized Government Services Group comprised of professionals who have dedicated their careers to serving government entities – including professionals proposed for the City’s engagement.

A sampling of our government clients, with Florida clients in bold, follows:

Government Clients		
<u>Cities and Towns</u>		
<ul style="list-style-type: none">• City of Augusta, GA• City of Charlottesville, VA• City of Charlotte, NC• City of Fayetteville, NC• City of Ft. Myers, FL• City of Greensboro, NC• City of Haines City, FL• City of Hampton, VA• City of Newport Beach, VA	<ul style="list-style-type: none">• City of Newport News, VA• City of North Port, FL• City of Pinellas Park, FL• City of Poquoson, VA• City of Portsmouth, VA• City of Raeford, NC• City of Raleigh, NC• City of Richmond, VA• City of Stuart, FL	<ul style="list-style-type: none">• City of Virginia Beach, VA• City of Winston Salem, NC• Town of Cary, NC• Town of Denton, MD• Town of Eatonville, FL• Town of Fuquay-Varina, NC• Village of Islamorada, FL• Village of Palmetto Bay, FL
<u>Counties</u>		
<ul style="list-style-type: none">• Charlotte County, FL• Cumberland County, NC• Durham County, NC• Forsyth County, NC• Guilford County, NC• Hanover County, VA	<ul style="list-style-type: none">• Hillsborough County, FL• Lee County, FL• Martin County, FL• Mecklenburg County, NC• Monroe County, FL• Orange County, FL	<ul style="list-style-type: none">• Prince William County, VA• Randolph County, NC• Stafford County, VA• Wake County, NC• York County, VA
<u>School Districts</u>		
<ul style="list-style-type: none">• Asheboro City Board of Education, NC• Clarke County, VA• Cleveland County Board of Ed., NC• Collier County, FL• Columbia County Schools, GA• County of Spartanburg School District 4, SC• County of Spartanburg School District 7, SC• Duval County, FL• Escambia County, FL	<ul style="list-style-type: none">• Goochland County, VA• Halifax County Schools, NC• Johnston County Schools, NC• Lancaster County School District, SC• Lee County, FL• Lynchburg County Schools, VA• New Hanover County Schools, NC• New Kent County, VA• Norfolk, VA	<ul style="list-style-type: none">• Osceola County, FL• Polk County, FL• Sarasota County, FL• St. Lucie County, FL• Suffolk, VA• Union County Board of Ed., NC• Virginia Beach, VA• Wake County Board of Education, NC• Warren County, VA
<u>School Activity Funds – Internal Accounts</u>		
<ul style="list-style-type: none">• Hanover County, VA• Henrico County, VA• City of Falls Church, VA• Fauquier County, VA	<ul style="list-style-type: none">• City of Manassas, VA• New Kent County, VA• Osceola County, FL• City of Portsmouth, VA	<ul style="list-style-type: none">• Sarasota County, FL• Seminole County, FL• Warren County, VA



Authorities, Commissions and Agencies

- Bell Creek Community Development Authority, VA
- Capital Region Airport Commission (RIC Airport), VA
- **Central Florida Regional Transit Authority (LYNX)**
- Central Virginia Waste Management Authority, VA
- Charlotte Firefighters Association, NC
- Charlotte Mecklenburg Library System
- **Enterprise Florida, Inc.**
- **Florida Development Finance Corporation**
- Greater Richmond Convention Center, VA
- Greenville Water System, SC
- Greer Commission of Public Works, SC
- Henrico Economic Development Authority, VA
- **International Drive Master Transit and Improvement District**
- Newport News Industrial Development Authority, VA
- North Carolina Eastern Municipal Power Agency
- North Carolina Educational Lottery
- North Carolina Finance Agricultural Authority
- North Carolina Municipal Power Agency No 1
- North Carolina Turnpike Authority
- **Orange County Educational Facilities Authority**
- **Orange County Health Facilities**
- **Orange County Library District**
- Piedmont Municipal Power Agency, SC
- Piedmont Triad Council of Governments, NC
- Piedmont Triad Regional Water Authority, NC
- Randolph Electric Membership Cooperative, NC
- Richmond Metropolitan Authority, VA
- Santee Cooper, SC (electric generation, transmission and distribution)
- **Sarasota Manatee Airport Authority, FL**
- **State of Florida**
- **Tampa Bay Regional Planning Council, FL**
- Triangle J Council of Governments
- Triangle Transit Authority
- Upper Occoquan Sewage Authority, VA

Peer Reviews and Desk Reviews

CB&H has passed, without exception, 11 consecutive peer reviews conducted under the auspices of the AICPA. A copy of our most recent peer review report is included as **Appendix A**. The review included a number of specific government engagements.

Desk and Field Reviews – Disciplinary Action

There has not been any disciplinary action taken against CB&H resulting from desk or field reviews performed by Federal or State agencies within the last three (3) years.

GFOA Certificate of Excellence in Financial Reporting

Over the years, CB&H has assisted the City in preparing a Comprehensive Annual Financial Report (CAFR) and applying for and receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.

The Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting is a mark of financial accountability and quality reporting. We will assist you in any way necessary to help you continue to receive this award every year. CB&H has extensive experience in assisting with the preparation of and the review of the statements and related information for submission to the GFOA for this award. Ron Conrad, our proposed engagement partner, has served on the Certificate Review Committee for 17 years and has never had a client fail to receive the Certificate if application was submitted.

Clients served by the Orlando office that receive the Certificate of Achievement include:

- City of Ft. Myers
- City of Haines City
- City of North Port
- City of Stuart
- Charlotte County
- Hillsborough County
- Lee County
- Martin County
- Monroe County
- Orange County
- Duval County District School Board
- Lee County District School Board
- Osceola County District School Board
- LYNX
- Orlando-Orange County Expressway Authority



Service Capabilities

At CB&H, we believe in acting as a proactive and innovative business partner for our clients. With approximately 800 professionals, CB&H has the proprietary knowledge to craft highly tailored solutions to audit, accounting, tax, and strategic management issues. The following is a brief summary of our service offerings for governmental clients:

Financial Management:

- Financial statement and compliance audits
- Compliance with OMB Circular A-133
- Cash flow and cash management
- Accounting project assistance
- Assistance with budget preparation
- Property and equipment management
- Internal audit
- Cost determination
- Cost allocation plans

Information Resource Studies:

- Systems analysis, review and planning
- Review of accounting systems
- Information resource requirements

Organization and Personnel:

- Organizational studies and reviews
- Compensation studies and incentive plans
- Executive compensation and recruitment
- RADARSM - Risk Assessment, Detection and Reduction

Industry Involvement

Professionalism in the accounting industry involves independence, integrity, objectivity and adherence to professional standards and applicable laws and regulations. This includes a demonstrated will to maintain and improve the quality of professional services and to withstand all pressures, competitive and other, to compromise on core values, principles, standards and quality.

CB&H strives to provide the highest possible quality of service to our clients, to meet our obligations to the public, and to conform to the standards of our profession. In order to meet these goals, we adhere to policies and procedures that provide reasonable assurance that every audit, tax, accounting and management advisory services engagement will be completed in accordance with the high standards of the public, our Firm, and most importantly, our clients.

CB&H is a member of the AICPA's Center for Public Company Audit Firms and practices under the AICPA recognized quality control program. CB&H is registered with the Public Company Accounting Oversight Board (PCAOB). Selected CB&H professionals are approved by the AICPA to perform peer review, quality assurance review and consulting review of other CPA firms' quality assurance programs.

CB&H leaders and partners in charge of industry practice areas maintain vital links to policy-making bodies in public accounting. Our commitment to the accounting profession is demonstrated by our current and past involvement in numerous national committees and panels, including:

- AICPA Government Audit Quality Center
- AICPA Employee Benefit Plan Quality Center
- AICPA SEC Regulations Committee
- AICPA Accounting Standards Executive Committee
- AICPA Professional Ethics Committee
- AICPA Auditing Standards Board



- AICPA Accounting and Review Services Committee
- AICPA Technical Issues Committee, Private Companies Practice Section
- AICPA Tax Division and its Individual Taxation Subcommittee
- AICPA SEC Practice Section Executive Committee
- FICPA Technical Committees
- GFOA Certificate of Achievement Review Committee

CB&H professionals are also frequent speakers on government topics throughout the year, including numerous speaking engagements throughout Florida.

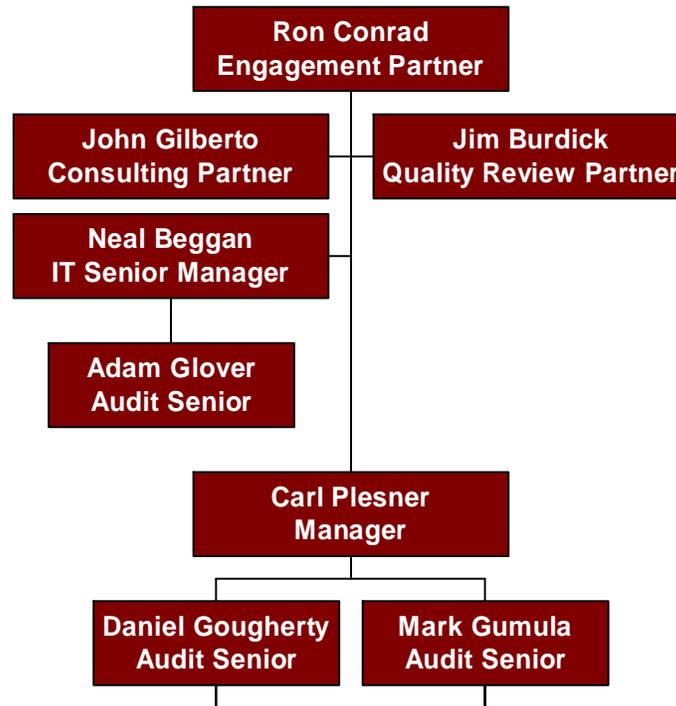
5. Partner, Supervisory and Staff Qualifications and Experience





5. Partner, Supervisory and Staff Qualifications and Experience

Our organization structure ensures effective and efficient use of resources, while minimizing disruptions to ongoing projects at the City. The following chart illustrates our CB&H service team organization structure.





Engagement Team Experience and Resumes

Ronald Conrad, CPA – Engagement Partner

Project Assignment

As engagement partner, Ron will be responsible for the overall audit engagement. He will coordinate the right resources at the right time to best serve your needs. He offers innovative business advice and high-quality, proactive service.

Years of Experience

Ron has 30 years of audit and accounting experience, including 10 as a Partner with CB&H and twenty with an international accounting firm.

Education

- BA in Business Administration and Accounting – Iowa Wesleyan College

Continuing Professional Education

Ron has more than 40 hours each year of relevant continuing education during the last three years, including the continuing education required by *Government Auditing Standards*.

Professional Associations

- FICPA – Member
- GFOA – Member
- FGFOA – Member
- AICPA – Member

Ron has six years of experience serving the City of Stuart. His experience also includes service to approximately 40 cities and counties and numerous state agencies and special districts, the vast majority of which are located in Florida.

In addition to his client service responsibilities, Ron is the firm's technical service director for the government industry, responsible for monitoring industry accounting and auditing developments, for coordination of the firm's industry training and for development of technical assistance for industry clients.

Ron has long been an integral part of Central Florida government auditing services, including twenty years with an international accounting firm prior to joining CB&H, where he authored the firm's nationally distributed book on accounting and auditing developments for the public sector. Ron also has long been a frequent speaker on public sector matters.

Ron is located in the CB&H Orlando office.

Governments Served

- Charlotte County, Florida
- City of Belleair Beach, Florida
- City of Boca Raton, Florida
- City of Clearwater, Florida
- City of Ft. Myers, Florida
- City of Haines City, Florida
- City of Largo, Florida
- City of Maitland, Florida
- City of Norfolk, Virginia
- City of North Port, Florida
- City of Pinellas Park, Florida
- City of Sanford, Florida
- City of St. Petersburg, Florida
- City of Stuart, Florida
- City of Virginia Beach, Virginia
- City of Winter Park, Florida
- City of Winter Springs, Florida
- Central Florida Regional Transportation Authority (LYNX)
- Enterprise Florida, Inc. and affiliates
- Florida's Turnpike
- Greater Orlando Aviation Authority
- Hillsborough Area Rapid Transit Authority
- Hillsborough County, Florida
- Hillsborough County Aviation Authority
- Housing and Urban Development
- International Drive Master Transit District
- Lake County Industrial Development Authority
- Lee County, Florida
- Manatee County, Florida
- Martin County, Florida
- Monroe County, Florida
- Monroe County Land Authority, Florida
- Orange County, Florida
- Orange County Industrial Development Authority
- Orange County Health Facilities Authority
- Orange County Housing Finance Authority
- Orange County Educational Facilities Authority
- Orange County Library District
- Orlando-Orange County Expressway Authority
- Osceola County, Florida
- Orlando Utilities Commission
- Osceola County, Florida
- Putnam County, Florida
- Sarasota County, Florida
- Seminole County, Florida
- Seminole County Expressway Authority
- State of Florida
- Town of Eatonville, Florida



James L. Burdick, CPA – Quality Review Partner

Project Assignment

As second partner reviewer, Jim will be responsible for review of our reports and working papers prior to issuance and consults on relevant technical matters.

Years of Experience

Jim has over 30 years of audit and accounting experience.

Education

- Bachelors of Business Administration – University of Wisconsin Oshkosh

Continuing Professional Education

Jim has more than 40 hours each year of relevant continuing education during the last three years, including the continuing education required by *Government Auditing Standards*.

Professional Associations

- AICPA – Member
- FGFOA – Member
- FICPA – Member
- FSFOA – Member
- GFOA – Member

Jim has served as the City's second partner reviewer for the past four years and will be responsible for continuing in that role.

Jim is 100% devoted to the public sector industry. In addition to his involvement with city government audits, Jim is the engagement partner for numerous school districts and special districts.

Jim is located in the CB&H Orlando office.

Governments Served

- Casselberry CRA
- Charlotte County, Florida
- City of Clearwater, Florida
- City of Haines City, Florida
- City of North Port, Florida
- City of St. Petersburg, Florida
- City of Stuart, Florida
- Collier County District School Board
- Duval County District School Board
- Escambia County District School Board
- Florida Virtual School
- Hillsborough County, Florida
- Hillsborough Transit Authority (HART), Florida
- Lee County District School Board
- Martin County, Florida
- Orange County, Florida
- Orange County Library District
- Orange County Public School
- Osceola County District School Board
- Pasco County District School Board
- Polk County District School Board
- Sarasota County, Florida
- Seminole County District School Board
- St. Lucie County District School Board
- Town of Eatonville
- Village of Islamorada



John A. Gilberto, CPA, MBA – Consulting Partner

Project Assignment

John will be available to consult on technical and operational matters.

Years of Experience

Having joined CB&H in 2010, John brings over 22 years of audit and accounting experience specific to the governmental industry.

Education

- BBA in Accounting – Guilford College
- Masters in Business Administration – University of North Carolina Chapel Hill

Professional Associations

- AICPA – Member
- FICPA – Member
- FGFOA- Member
- NCACPA – Past Board of Directors
- NCACPA – Government Accounting and Auditing Committee

John is a Certified Public Accountant, licensed to practice in the state of Florida, with over 22 years of experience providing audit and accounting services to state and local government entities.

The Director of CB&H's Government Services Group, John has extensive experience providing audit and accounting services to cities, counties, towns, authorities, and boards of education. He focuses his practice on providing clients with a full range of audit and accounting services, including A-133 single audits and preparation of reports that have received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and, for boards of education, the Association of School Business Officials' Certificate of Excellence. John has authored several articles and is a frequent speaker and instructor at industry conferences.

John is located in the CB&H Tampa office.

Governments Served

- City of Durham, NC
- City of High Point, NC
- City of Jacksonville, NC
- City of Kinston, NC
- City of Norfolk, VA
- City of Pinellas Park, Florida
- City of Sanford, NC
- City of St. Petersburg, Florida
- Hillsborough County, Florida
- Lee County School Board
- Onslow, Orange and Neuse Water and Sewer Authorities
- Pinellas County Licensing Board
- Prince William County, VA
- Sarasota County School Board
- Sarasota Airport
- Tampa Bay Regional Planning Council
- Tampa Bay Estuary Fund



Neal Beggan, CISA – Senior IT Manager

Project Assignment

Neal serves as IT reviewer for many of our larger, complex local governments and will use his expertise to assist with our IT systems review. He will be available to address other program issues related to information technology should they arise and is responsible for reviewing Information Technology Review services provided.

Years of Experience

Neal has over 10 years of IT audit, consulting and compliance experience. He joined CB&H in 2008 after previously working with two Big 4 firms.

Education

- Bachelor of Business Administration in Finance – James Madison University

Professional Associations

- Information Systems Audit Control Association - Member

Neal is an Information Technology Senior Audit Manager in the Information Technology Audit Group (ITAG) of Cherry, Bekaert & Holland (CB&H). With the professional designation as a **Certified Information Systems Auditor (CISA)**, he has over 10 years of IT audit, consulting and compliance experience including planning, managing and performing information technology reviews for compliance with Sarbanes-Oxley (SOX) 404, FISCAM, FFMIA, JFMIP, OMB A0123, OMB A-130 and SAS 70 requirements to Federal, state, and local governments, as well as private sector businesses.

Prior to joining Cherry, Bekaert & Holland, Neal worked at an international accounting and management firm as an IT manager where he was responsible for managing Sarbanes-Oxley 404 assistance projects for accelerated and non-accelerated filers across numerous industries. He provided end-to-end project management for clients to ensure compliance with Sarbanes-Oxley 404 requirements, performed walkthroughs, testing and remediation for IT entity level controls, IT general controls and IT application controls, assisted in the design and implementation of baseline IT processes and controls and streamlined IT control processes, reducing the number of key controls, and improving the efficiency of testing the controls.

Neal is based in the Northern Virginia office.



Carl Plesner, CPA – Manager

Project Assignment

Carl will be responsible for leading financial statement preparation requirements and management of on-site services.

Years of Experience

Carl has over 18 years of audit and accounting experience.

Education

- Bachelor of Science in Accounting (Summa Cum Laude) – Florida State University
- Masters in Accounting – Florida State University

Continuing Professional Education

Carl has more than 40 hours each year of relevant continuing education during the last three years, including the continuing education required by *Government Auditing Standards*.

Carl has served the City of Stuart throughout most of our tenure as the City's independent auditors. Carl has also served as audit manager for numerous other Florida cities, counties, state agencies and special districts.

Carl is located in the CB&H Orlando office.

Governments Served

- Charlotte County, Florida
- City of Ft. Myers, Florida
- City of Maitland, Florida
- City of North Port, Florida
- City of Haines City, Florida
- City of Sanford, Florida
- City of Stuart, Florida
- Hillsborough County, Florida
- Lee County, Florida
- Martin County, Florida
- Orange County, Florida
- Orange County Housing Finance Authority
- Orange County Library District
- Seminole County, Florida
- State of Florida



Adam Glover, CISA – Audit Senior

Project Assignment

Adam will assist with on-site service for review of Information Technology and with performance of audit services.

Years of Experience

Adam has approximately four years of experience auditing public sector entities.

Education

- Bachelor of Science in Accounting – University of Florida
- Master of Science in Decision and Information Sciences – University of Florida

Continuing Professional Education

Adam has more than 40 hours each year of relevant continuing education during the last three years, including the continuing education required by *Government Auditing Standards*.

Professional Associations

- Information Systems Audit and Control Association – Member
- FGFOA – Member

Adam will continue to assist Neal Beggan with respect to information technology review services. He has served numerous municipalities and will be an integral part of our engagement team.

Adam is a Certified Information Systems Auditor and is located in the CB&H Orlando office.

Governments Served

- Central Florida Regional Transportation Authority
- Charlotte County, Florida
- City of Clearwater, Florida
- City of Dunedin, Florida
- City of Ft. Myers, Florida
- City of Greensboro, North Carolina
- City of Haines City, Florida
- City of North Port, Florida
- City of Pinellas Park, Florida
- City of St. Petersburg, Florida
- City of Stuart, Florida
- Collier County District School Board
- Coordinated Child Care
- Duval County District School Board
- Enterprise Florida
- Escambia County District School Board
- Georgia Student Finance Authority (GSFA)
- Hillsborough County, Florida
- International Drive Master Transit Improvement
- Islamorada, Village of Islands, Florida
- Juvenile Welfare Board of Pinellas County
- Lee County, Florida
- Lee County District School Board
- Martin County, Florida
- Monroe County, Florida
- Orange County, Florida
- Orange County Library District
- Orlando-Orange County Expressway Authority
- Osceola County District School Board
- Pasco County District School Board
- Polk County District School Board
- Sarasota County, Florida
- Sarasota County District School Board
- Sarasota Manatee Airport Authority
- St. Lucie County District School Board
- State of Florida
- Town of Eatonville



Daniel Gougherty, CPA –Audit Senior

Project Assignment

Daniel will continue to perform on-site fieldwork for audit services on behalf of the City.

Years of Experience

Daniel has five years of experience auditing public sector entities, including local governments.

Continuing Professional Education

Daniel has more than 40 hours each year of relevant continuing education during the last two years, including the continuing education required by *Government Auditing Standards*.

Education

- Bachelor of Business Administration in Accounting – University of Central Florida

Professional Associations

- AICPA – Member
- FICPA – Member
- FGFOA – Member

Daniel has five years of public accounting experience, including the past two years serving the City of Stuart. He also has considerable audit experience on numerous county governments, particularly Martin County, Lee County and Hillsborough County. He is 100% devoted to public sector.

Daniel is located in the CB&H Orlando office.

Governments Served

- City of Stuart, Florida
- Enterprise Florida, Inc. and affiliates
- Hillsborough County, Florida
- Lee County, Florida
- Martin County, Florida
- Orange County, Florida
- Orlando-Orange County Expressway Authority
- Osceola County District School Board
- Polk County District School Board



Mark Gumula, CPA, CGMA –Audit Senior

Project Assignment

Mark will continue to be responsible for on-site fieldwork and the audit services to be performed for the City.

Years of Experience

Mark has approximately four years of public accounting experience and three years of experience as a Controller.

Education

- Bachelor of Business Administration in Finance – University of Central Florida
- Bachelor of Business Administration in Accounting – University of Central Florida

Continuing Professional Education

Mark has more than 40 hours each year of relevant continuing education during the last two years, including the continuing education required by *Government Auditing Standards*.

Professional Associations

- AICPA – Member
- FGFOA – Member
- FICPA – Member

Mark has four years of public accounting experience, including two years of experience serving the City of Stuart. In addition, he has more than three years experience as a Controller in private industry. Mark is also designated as a Chartered Global Management Accountant through the AICPA.

Mark is located in the Orlando office.

Governments Served

- Brevard County, Florida
- Charlotte County, Florida
- City of Ft. Myers, Florida
- City of North Port, Florida
- City of Stuart, Florida
- Duval County District School Board
- Lee County, Florida
- Martin County, Florida
- Orange County, Florida
- State of Florida



Commitment to Equal Employment Opportunity

CB&H does not discriminate against any employee or applicant for employment. We are committed to providing equal employment opportunity to all applicants, and the provisions of our non-discrimination clause are posted in conspicuous locations throughout our offices and stated in the CB&H Associate Handbook, which is signed by every employee of the Firm. Excerpts from our policy are as follows:

"The continuing policy of Cherry, Bekaert & Holland, L.L.P. is to provide equal employment opportunity to all qualified Associates and applicants without regard to race, color, sex, religion, national origin, age, marital status, veterans status, citizenship status or physical or mental disability. Further, it is the policy of the Firm to undertake affirmative action in compliance with all federal, state, and local requirements to recruit a diverse pool of applicants and to ensure that our employment practices are, in fact, non-discriminatory. This same non-discriminatory consideration will guide all personnel actions including, but not limited to, recruitment, hiring, training, and promotion decisions in all job classifications. Furthermore, compensation, benefits, transfers, education, or tuition assistance, and social and recreational programs will be administered in a non-discriminatory fashion."

The CB&H Orlando office personnel complement includes 60% women; 30% of Orlando office personnel are classified as minorities.

Ongoing Quality of Personnel

CB&H is one of the largest providers of government financial audit services in Florida, and our Orlando office leads this practice. With more than 90% of our local practice devoted to the public sector, we have a significant depth of highly experienced and knowledgeable professionals available to serve the City. Further, our engagement partner is the technical director of CB&H government services and our service team members almost exclusively serve the public sector.

Our depth of knowledgeable professionals focused on government services, our knowledge of the City and its requirements, the expertise of our service team and our demonstrated commitment to high quality are all key factors that provide assurance of continuing quality of personnel.

Continuing Professional Education

At CB&H, we consider the training of our professionals to be extremely important in order to best meet the evolving needs of our profession and provide the highest quality of service to our clients. We believe that in order to consistently offer our clients the most current information, continuing education of our personnel is a must. It is the policy of CB&H that all professional personnel comply with the continuing professional education requirements of the AICPA, the SEC Practice Section of the AICPA Division for Firms, the appropriate state boards of accountancy, the U.S. Government Accountability Office, Yellow Book requirements and other regulatory agencies as applicable; that all professional staff maintain an adequate awareness and understanding of current developments in technical literature; and that all professional staff assist in the training and development of staff members under their supervision.



In our commitment to training, we require all client service professionals, including CPAs and non-CPAs to complete at least 20 hours of qualifying continuing professional education (CPE) every year and at least 120 hours every three years. In addition, all client service professionals who serve governmental entities are required to complete 80 hours of CPE every 2 years with at least 24 hours in subjects that directly relate to government auditing and/or the government environment. CPE requirements are met through CB&H hosted webinars and live seminars throughout the year. Our professionals are also encouraged to use resources such as AICPA, FICPA GFOA, and FGFOA to fulfill required credit hours.

Some of the government specific courses offered by CB&H to our employees include: risk assessment training; preliminary analytics for government audits; single audit auditing; financial audit review including internal controls, financial statement disclosures and general auditing and completion procedures.

6. Prior Engagements with the City of Stuart





6. Prior Engagements with the City of Stuart

We have not had any professional relationships involving the City of Stuart or any of its agencies or component units during the past five years, other than that as independent auditors.

All services provided for the City of Stuart have been provided from our Orlando location and have been led by Ron Conrad, who is located in Orlando and can be contacted at telephone number (407) 423-7911. Jim Burdick, quality review partner, is also in the Orlando office.

Hours for the City of Stuart audit services during the past five years have been approximately 4,300. Dorothy Zaharako, Finance Director, is our primary contact at the City. Dorothy's telephone number is (772) 288-5310.

7. Similar Engagements with Other Government Entities





7. Similar Engagements with Other Government Entities

Orlando Office Audit Experience with Local Governments

CB&H is committed to providing auditing and consulting services to governmental organizations. Our local practice is more than 90% public sector, with services provided year-round to numerous cities, counties, school districts, state agencies and other districts and authorities throughout Florida. As a result, we have an extensive understanding of government auditing and accounting requirements, including GASB Pronouncements and Statements and Interpretations, and have a thorough knowledge of methods and techniques applicable to government auditing. Our ability to apply this knowledge is demonstrated not only by our extensive list of government clients, but also by our clients' satisfaction with our work.

Government Clients		
<u>Cities and Towns</u>		
<ul style="list-style-type: none"> City of Ft. Myers, FL City of Haines City, FL 	<ul style="list-style-type: none"> City of North Port, FL City of Stuart, FL 	<ul style="list-style-type: none"> Town of Eatonville, FL Village of Islamorada, FL
<u>Counties</u>		
<ul style="list-style-type: none"> Charlotte County, FL Hillsborough County, FL 	<ul style="list-style-type: none"> Lee County, FL Martin County, FL 	<ul style="list-style-type: none"> Monroe County, FL Orange County, FL
<u>Authorities, Commissions and Agencies</u>		
<ul style="list-style-type: none"> Central Florida Regional Transit Authority (LYNX) Enterprise Florida, Inc. Florida Development Finance Corporation 	<ul style="list-style-type: none"> International Drive Master Transit and Improvement District Orange County Educational Facilities Authority Orange County Health Facilities Authority 	<ul style="list-style-type: none"> Orange County Library District State of Florida
<u>School Districts</u>		
<ul style="list-style-type: none"> Collier County, FL Duval County, FL 	<ul style="list-style-type: none"> Escambia County, FL Osceola County, FL 	<ul style="list-style-type: none"> Polk County, FL St. Lucie County, FL
<u>School Activity Funds – Internal Accounts</u>		
<ul style="list-style-type: none"> Osceola County, FL 	<ul style="list-style-type: none"> Seminole County, FL 	<ul style="list-style-type: none"> Sarasota County, FL

References

CB&H professionals provide a solid base of knowledge and adequate staffing capabilities for our clients. Following is a list of the most significant engagements that have been performed within the last five (5) years which are similar in size and complexity to the engagement described in the RFP.

Name:	Martin County, Florida
Scope of Work:	Financial and Compliance Audit
Contract Period Dates:	2005 – Present
Engagement Partner:	Ron Conrad, Engagement Partner Jim Burdick, Quality Review Partner
Total Hours:	2,500
Principal Client Contact:	Sandra Smith, Director of Finance 772.228.5529



Name:	City of Ft. Myers, Florida
Scope of Work:	Financial and Compliance Audit
Contract Period Dates:	2005 – Present
Engagement Partner:	Ron Conrad, Engagement Partner Eddie Burke, Quality Review Partner
Total Hours:	1,100
Principal Client Contact:	Holly Simone, Controller 239.332.6371

Name:	City of Haines City, Florida
Scope of Work:	Financial and Compliance Audit
Contract Period Dates:	2006 – Present
Engagement Partners:	Ron Conrad, Engagement Partner Jim Burdick, Quality Review Partner
Total Hours:	800
Principal Client Contact:	Donald Carter, Finance Director 863.421.9901

Name:	City of North Port
Scope of Work:	Financial and Compliance Audit
Contract Period Dates:	2010 – Present
Engagement Partner:	Ron Conrad, Engagement Partner Jim Burdick, Quality Review Partner
Total Hours:	600
Principal Client Contact:	Peter Lear, Finance Director 949.429.7172

8. Specific Audit Approach





8. Specific Audit Approach

Scope of Services

We have read and understand the scope of services as described in the RFP published by the City. We agree to this scope of services and have provided our audit approach below.

Audit Approach

Philosophy

The Governmental Accounting Standards Board, in its Concept Statement #1, identified three objectives to governmental financial reporting: accountability, evaluation and planning. However, due to the unique stewardship responsibilities associated with the power to tax citizens, the document points out that "Accountability is the cornerstone of all financial reporting in government." As our discussion below explains in further detail, the focus on accountability influences the manner in which we treat materiality, and in the way we evaluate risk on a governmental audit engagement. We also realize that it takes a collaborative effort between the Auditor and the City to achieve a system of procedures and controls that assures accountability of public funds while maximizing the use of available City resources.

With CB&H, the City will receive service from an experienced service team that is familiar with the City's operations and has considerable additional experience serving Florida cities. This avoids any necessary transition issues that may take place when a new firm begins an audit. In addition, our audit programs and processes have been tailored specifically for the City to maximize efficiency and effectiveness and to ensure that the City's time and effort associated with our audit is minimized and concentrated on relevant matters. Our process for CAFR preparation has also been refined to endure timeliness and quality.

Planning

We have a major emphasis on audit planning, which includes meetings and discussions with the City's Audit Committee and personnel from City Finance. New requirements, matters related to operational developments, scheduling, personnel assignments, expectations and areas for improvement are all subject matters included in planning process communication.

Staffing

As previously presented, CB&H has a highly knowledgeable and experienced service team for the City of Stuart, including thousands of cumulative hours of service to the City and thousands more serving other Florida cities. The Orlando office of CB&H provides approximately 35,000 hours of audit service to Florida governments annually, resulting in significant depth of resources, knowledge and expertise relative to the City of Stuart.

Risk Assessment

We believe that our experience with local governments is invaluable when it comes to risk assessment. The vastly different types of services and the tendency for local governments to be more decentralized require a different approach than would be taken with a traditional business. Also, our concept of "materiality" is different. For example, certain collection points may not be material to the financial statements. However, because of the nature of the service, we may assign it a high audit risk. As a result we may visit that collection point, and other satellite offices where fees are collected to document controls and test those controls as needed.

Time and Cost Sensitivity

CB&H's knowledge and experience of the City is unsurpassed, which enables us to control projects and minimize disruption. Another aspect of our value is the demonstrated local and firm-wide commitment, with high priority always provided to serving the City. These factors, together with our local and firm-wide industry commitment and industry specialization, provide exceptional benefits to the City. In addition, the high level of partner and manager interaction we provide helps ensure that any budget or time issues are promptly identified and resolved. We understand the importance of providing a product that is timely and cost-effective, as well as of a high quality.

Proposed Segmentation of the Engagement

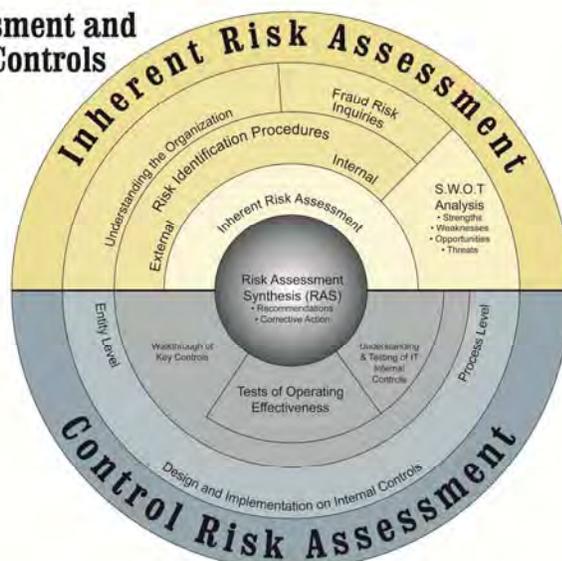
Our approach will focus on addressing accounting and auditing issues early and assisting the City as necessary to provide a smooth audit at year-end. We will communicate results of our interim procedures and reassess our audit plan to ensure issues have been addressed timely, staffing is appropriate, and our fieldwork is performed in a high quality manner.

We will begin our audit with an initial planning meeting to discuss issues, scheduling, expectations and other relevant issues. We will then formalize a plan that corresponds to the high end of the City's expectations and that appropriately addresses areas of audit and business risk. Communication aspects regarding audit progress and accounting and auditing issues will be incorporated in this plan, which will be provided to the City along with a list of schedules to be prepared during each fiscal year subject to audit. Our audit approach will be divided into four segments:

- Segment I: Orientation and planning
- Segment II: Risk assessment procedures
- Segment III: General audit procedures
- Segment IV: Reporting

The following graphic illustrates how our inherent risk assessment combines with our internal control documentation and testing to generate our Risk Assessment Synthesis, which provides our detailed guidance for customizing our further audit procedures based on our risk assessments.

Risk Assessment and Internal Controls





Segment I: Orientation and Planning

Orientation and planning will include the following procedures:

- Meeting with the appropriate City personnel to confirm the timing of our work and review the preparation of schedules so that disruption of day-to-day operations can be minimized
- Updating our understanding of the City's accounting policies and procedures, including the financial and other management information systems utilized by the City
- Review the City's current year's budget, the organization chart, investment and other fiscal policies and procedures, leases, debt documents and covenants, etc.

Segment II: Risk Assessment Procedures

This segment relates to the performance of risk assessment and other planning procedures to obtain information about the City and its environment, including internal controls, and to assess the risks of material misstatement.

This segment will include:

- Acquiring in-depth knowledge of the EDP equipment, software and systems in use through completion of a computer control evaluation
- Reviewing for possible areas of exposure in asset protection, custodianship and similar matters
- Inquiries of management and others
- Preliminary analytical procedures to identify potential risks of material misstatement and unusual or unexpected account balances
- Updating our an understanding of internal controls which will include inquiry, observation and inspection, including tracing transactions through the information systems (i.e. walkthroughs)
- Discussion among engagement team members about the susceptibility of the financial statements to material misstatements, areas of significant audit risk, areas susceptible to management override of controls, important control systems, application of generally accepted accounting principles, materiality at the financial statement level and how materiality will be used to determine the nature timing and extent of testing

Segment III: General Audit Procedures

General audit procedures includes the following:

- Testing internal controls as deemed cost effective by examining detailed transactions, using audit sampling techniques and substantive testing
- Obtaining listing of cash and investments for confirmation purposes
- Preparing year-end audit programs, which reflect interim findings
- Meeting with appropriate personnel to discuss status of audit and preliminary findings
- Confirming cash, investments and bonds payable
- Reviewing cut-off of receivable balances and test amounts recorded
- Conducting an analytical review of account balances
- Reviewing calculations for doubtful accounts, prepayments and accruals
- Vouching property additions, analyzing changes for appropriate accounting and testing depreciation
- Testing debt covenant compliance



- Testing accounts payable cut-off through analysis of disbursements
- Completing additional audit procedures as required by the Federal and State Single Audits
- Reviewing the financial statements and related notes and comparing to audited amounts
- Detailed review of workpapers by the senior manager and / or engagement partner

Planning for this segment includes:

- Obtaining excerpts of pertinent sources to determine the laws and regulations that will be subject to testing
- Developing detailed audit programs to test compliance with laws and regulations
- Preparing detailed audit programs based upon the evaluation of internal controls
- Review the preliminary schedule of federal and state financial assistance and make preliminary major program determination. Obtain an understanding of internal controls, and test internal controls and compliance.

Segment IV: Reporting

Year-end procedures consist of:

- Exit conference with appropriate City personnel to review proposed adjustments, draft of audit report, compliance and internal control reports, management letter and any other pertinent matters
- Review of draft of audit report, compliance and internal control reports, management letter and work papers by a partner with extensive experience in governmental and compliance audits who has not been associated with performance of the audit (second review partner)
- Completion of audit report, compliance and internal control reports
- Final review of the State of Florida Annual Local Government Financial Report required under F.S. 218.32 for submission to the Department of Financial Services
- Meeting with appropriate City officials to discuss the final audited financial statements and management letter

Reports to be issued for the City:

- Independent Auditors' Report on the fair presentation of the financial statements in accordance with generally accepted accounting principles
- 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 With Requirements Applicable to Each Major Federal Awards Program and State Financial Assistance Projects and Internal Control Over Compliance In Accordance With OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General
- Independent Auditors' Management Letter
- In relation to report on schedule of expenditures of federal awards and state financial assistance projects as required by OMB A-133 and Chapter 10.550
- Any other reports required as part of the financial audit process



Audit Timeline

Segment	June	Jan. – Feb.	March
Segment 1 – Orientation and Planning			
Segment 2 – Risk Assessment Procedures			
Segment 3 – General Audit Procedures			
Segment 4 - Reporting			

Our anticipated timeline would be similar to this past year, with interim procedures during June, year-end procedures beginning the second week of January and completion of fieldwork and reporting by the end of February or early March

Proven Ability to Meet Stated Service Deadlines

As the City and our references will attest, CB&H has a history of providing timely services, with significant management involvement. We have met the City’s deadlines in each year we have served as the City’s independent auditors, and we are committed to continue such timeliness.

A primary factor in our ability to provide timely and quality services is our local office commitment. Another factor that helps ensure timely service is our industry specialization. The professionals who serve our clients have an excellent understanding of the environment in which their clients operate. As a result, our professionals require little “on-the-job” training. In addition, the high level of partner and manager interaction we provide helps ensure that any budget or time issues are promptly identified and resolved. We understand the importance of providing a product that is timely and cost-effective, and we are committed to meeting the schedule delineated in the RFP.

Estimated Hours by Level

Segment	Partner	Manager	Senior	Staff	TOTAL
Segment 1 – Orientation and Planning	8	16	50	-	74
Segment 2 – Risk Assessment	2	4	8	-	14
Segment 3 – General Audit Procedures	20	25	212	115	372
Segment 4 - Reporting	20	15	80	25	140
TOTAL	50	60	350	140	600



Sampling and Sample Sizes

Sampling will be used in all aspects of the testing phase, utilizing tailored audit programs. We will conduct tests to ascertain that the significant controls within the system are functioning as described to us. Transactions will be selected and reviewed in sufficient detail to permit us to formulate conclusions regarding compliance with control procedures. Additional tests will be designed to provide reasonable assurance as to the validity of the information produced by the accounting system. The firm has developed sample size guidelines for all samples performed in order to form an opinion on the financial statements under auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

The objective of the guidelines is to improve the quality of sampling by:

- Relating sample sizes more directly with factors that influence sample size
- Reducing unexplainable sample size variability
- Encouraging the use of statistical sampling

Structured worksheets, which give appropriate recognition to factors such as reliance on internal control, nature and timing of audit procedures, size of the organization, dollar total of population being sampled, and sampling error, are used to effectively determine audit samples and evaluate the results of the procedures performed. We use these worksheets to determine the sample size for fixed asset additions/dispositions, cash disbursements, payroll, and grant compliance tests. Sample size will vary based on materiality and the population being tested.

The extent to which we apply detailed audit procedures and sampling is based on materiality, our evaluation of audit risks and internal accounting control, and the characteristics of items comprising the account balances or class of transactions.

Certain compliance matters, such as bond debt coverage requirements, are not subject to representative sampling procedures. In such instances, we will recalculate compliance requirements or perform other applicable procedures.

Use of Technology/EDP Software

Our audit of the City will feature the combined use of data analysis software, wireless technology and engagement management software. As such, our documentation is virtually paperless with procedures documented in an automated environment and files shared through wireless technology among engagement team members.

Work Paper Management. Our work papers are managed using CCH Engagement, a software package that allows us to prepare, review, transfer and manage our work in a paperless environment.

Wireless Technology. On site, our computers are linked using encrypted wireless technology, which greatly facilitates our ability to efficiently manage our engagements. In automating our approach to the City's audit, we will be careful not to duplicate the City's software capabilities. We will take a long-term view toward the City audit, investing considerable time and effort to automate in order to enhance long-term efficiency. We believe that these perspectives will enhance both the quality and efficiency of the City's audit.



Review and Auditing ERP Software

Firm-designated IT Audit Group (ITAG) consultants will perform the review of the City's information systems environment. Our ITAG group has experience auditing all major ERP packages, including those of the City. As such, we use tailored IT Audit programs based on your specific environment and the inner workings of specific software packages. The City will have the assurance of direct review by a senior level individual with significant experience directly related to information systems.

ITAG will work with the City to assess the effect of systems processing on the City's business and will assess the reliability of systems processing. They will focus on providing constructive service comments intended to improve the quality of information and system controls. The results of this assessment will be integrated into our audit approach to improve audit efficiency and to further define the way in which we address identified risk factors.

Examples of computer controls that will be reviewed for each system in scope include the following:

- **Access Control** - The first and foremost responsibility of the City's Information Technology Department is to assure that logical and physical access to the City's information, network and computing facilities is based upon the organization's need as defined by Management's policy statements. Our audit program is designed to ensure that policies and processes are in place to fulfill this responsibility using best practice methods and addressing the unique needs of the City in terms of local, remote and physical access.
- **Network Security** - In order for the City to fulfill its responsibilities, it must maintain a secure electronic network, which facilitates communication across all of its facilities and with other governmental and corporate entities. Our audit program is designed to ensure that sufficient controls are in place to protect that network from internal and external attacks and abuse.
- **Change Management/Problem Tracking** - The management of change in a modern technology environment is essential to assuring efficient, orderly and secure processing of information. Our audit includes a review of change management and problem tracking aspects of the City's IT organization and evaluates them against current best practices and the specific needs of the City.
- **Backup and Recovery** - In order to assure continuity of operation, the City must maintain best practice processes that provide continuously available backup media. These processes must address short-term and long-term recovery operations whether applicable to incidental missing information or long-term processing outages. Our audit includes a review of these processes and recommends improvements where appropriate.
- **Information Workflow** - Accuracy of financial reporting for the City is dependent upon definition and management of effective electronic and manual controls at key junctures in the network's operation. This control process must extend from the capturing of all supporting information to the posting of subsequent journal entries. Our audit program will define the electronic and manual workflow associated with the City's revenue stream and evaluate the associated key controls for effectiveness.



Analytical Procedures

In addition to testing supporting documents and details of the accounting records, we will perform an overall evaluation of account balances and their interrelationship with each other. We design this analytical review to identify unexpected fluctuations in accounts, the absence of expected fluctuations and other items that appear unusual in light of expected results, past performances, normal relationships and other factors. This provides a business operation approach to auditing. Specifically, we perform analytical procedures:

- To assist in planning the nature, timing and extent of our auditing procedures.
- As a substantive test to obtain evidential matter about particular assertions.
- As an overall review of financial statements in the final review stage of the audit.

Our analytical procedures, which include comparisons of recorded amounts or ratios to expectations, involve developing expectations based on plausible relationships (industry data, budget, prior year amounts recorded, etc.). These procedures are included in the planning, substantive testing and report review phases of our audit. Examples of our analytical procedures include:

- Comparisons of interim financial balances to budget and prior year data to assist in planning.
- Comparison of year-end balance sheet amounts to expectations based on related data, such as customer deposits to number of utility customers.
- Comparison of year-end operating balances to prior year and budgeted data, and updating analytical results from our interim planning.
- Comparison of budgeted and prior year data at the financial statement level.
- Analytical review at the financial statement level and by opinion unit.
- Comparison to industry data as part of financial condition assessment.

Understanding of Internal Control Structure

In our audit process, we invest a significant amount of time planning the engagement. In the planning segment of the engagement, we will meet with certain key employees of the City to develop mutual expectations as relating to timelines and any assistance you may provide us in the audit. During this process we will also identify the significant audit areas and account balances to test. Identification of these areas is typically performed through a preliminary analytical review. The analytical review is where we detect unusual trends in account fluctuations and where we develop expectations about the relationships in the account balances.

During the preliminary segment, we will review the internal control environment over the financial processes of the City. The internal control review will be conducted from an information technology perspective, but will also include manual controls over the transactional flow in the account balances. The intention of the control review is to rely on controls from a compliance perspective and to gain an understanding of the processes and controls related to the City. As appropriate, during this control review we may test certain controls that we will rely on in performing the audit.

By focusing on the planning segment of the engagement, as well as reviewing and testing controls over the financial processes of the City, we believe we will have a strong understanding of the significant areas and processes of the City in order to perform an efficient and effective audit.



Internal Control Philosophy

Adequate assessment of the City's internal control is a key component of the audit. Our audit procedures are tailored to address specific risks for each individual client. We obtain an understanding of an entity wide control environment during audit planning to provide us an understanding of "what can go wrong," and use that understanding as a basis in formulating our client service plan and our audit procedures. We use a variety of methods in obtaining our understanding of internal controls. Typically, these include interviewing entity personnel, observing processes and controls, walking through transactions from initiation to recording, and discussing controls and risks of fraud with various company personnel. We also utilize our information systems audit specialists in assessing controls and risks over information systems processing. We will communicate with management any weaknesses we may find in the internal controls or opportunities for strengthening controls or making processes more efficient.

Determining Laws and Regulations

We are quite familiar with grant and other compliance requirements applicable to the City of Stuart, having addressed these requirements at the City of Stuart and numerous other cities. We have passed all federal and state reviews, peer reviews and intra-firm reviews without exception or comment. Our compliance audit procedures will be designed to identify and test those transactions and activities that are likely to have a financial impact on the City's basic financial statements and to determine whether they were carried out in accordance with the provisions of laws, rules, contracts and grantor guidelines. Our reports will note instances of noncompliance that could have a material effect on the City's financial statements.

The nature and extent of our compliance tests are derived from the following:

- Results of our analysis of internal control over compliance matters.
- Review of bond documents.
- Correspondence with state agencies.
- Rules of the Auditor General of the State of Florida.
- Florida Statutes.
- Grant agreements.
- AICPA Statements of Position.
- AICPA Statements on Auditing Standards.
- Other applicable professional standards and guidance.

Tests of Compliance – Audit Samples

Our sample sizes will consider audit risk through reliability and precision factors. SAS No. 111 prescribes the criteria for developing sample sizes, which we have utilized based on carrying degrees of reliance and confidence in internal control structure. Because our sample sizes are affected by many variables, as prescribed by SAS No. 111, a statement about sample sizes cannot be made in absolute terms. However, with regard to sample selection, we generally will utilize statistically generated, 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.).

Our use of sampling also considers requirements of the Federal and State Single Audit Acts and OMB Circular A-133. Representative sample selections will be drawn for compliance and for each separate system of internal control over major federal and state financial assistance programs based on the AICPA Audit Guide, *Government Auditing Standards and Circular A-133 Audits*. We will integrate these tests, to the extent possible, with required sampling for reliance on other aspects of the City's internal control structure.

Communication Philosophy

At CB&H, we emphasize the value of communication with our clients. Open and regular communication is a part of our Firm's culture and an integral part of our service philosophy. We will meet weekly with City management to:

- Discuss operations and seamlessly deliver service
- Determine accounting and reporting strategies for operations and special transactions
- Discuss newly issued accounting pronouncements and implementation issues



Open, candid communication with management will occur throughout the year as well as through formal correspondence required by auditing standards. We will meet with management prior to beginning the audit to discuss expectations and the timeline for our work. At the completion of the audit, we will meet with the City's representatives to review our findings, receive feedback for improvement and plan for the upcoming year.

We believe communication throughout the audit process is critical to meeting your expectations for your audit firm and an integral part of an effective and efficient audit. We will bring to the attention of management any accounting or internal control issues noted during the course of the audit as soon as they arise, so they can be resolved as quickly as possible. We will also communicate opportunities for improvements in internal control informally during the course of the audit to allow immediate consideration, and will formally communicate those opportunities in a management letter at the conclusion of the audit.

In addition to accounting issues noted during the audit, we will alert you to developing accounting standards that we believe would be of interest to you. In most situations, accounting and internal control matters are identified, communicated and resolved as a normal part of the audit process. However, should there be items of such magnitude or significance that warrant communication to management prior to our next scheduled meeting, we will do so immediately.

Use of the City's Accounting Staff

We realize the City's accounting staff's time should be utilized in an efficient manner. We have planned our audit approach to keep our requests organized and limited in order to minimize time involved among City staff.

Approach to Management Letters

In preparing management comments/recommendations, our client service team utilizes a "bottom-up" review approach to avoid any surprises. This approach allows any draft comments or recommendations to be initially reviewed at the level within the department where direct management responsible for the activity under review rests and only subsequently discussed at higher levels.



Any criticism of operations will be constructive. Our findings will contain a statement of condition describing the situation and the problem that needs attention, what should be corrected, and why. We believe our suggestions will withstand the four basic tests of corrective action:

- The recommendations will be cost effective
- The recommendations will be the simplest to implement in order to correct a problem
- The recommendations must go to the heart of the problem and not just correct the "symptoms"
- The corrective action will document why the deficiency occurred.

We do not dwell on matters of insignificance; rather, we design our letters to be useful and beneficial for improving the City's performance. We often assist the City through verbal discussions of practices we see at various cities, as well as technical requirements, developments and other industry matters.

Working Papers

In all cases, CB&H shall retain all working papers for a period of five (5) years after the conclusion of the contract period and shall provide the City and /or its assignee access, free of charges, to any or all work papers at any reasonable time.

9. Identification of Potential Audit Problems





9. Identification of Anticipated Potential Audit Problems

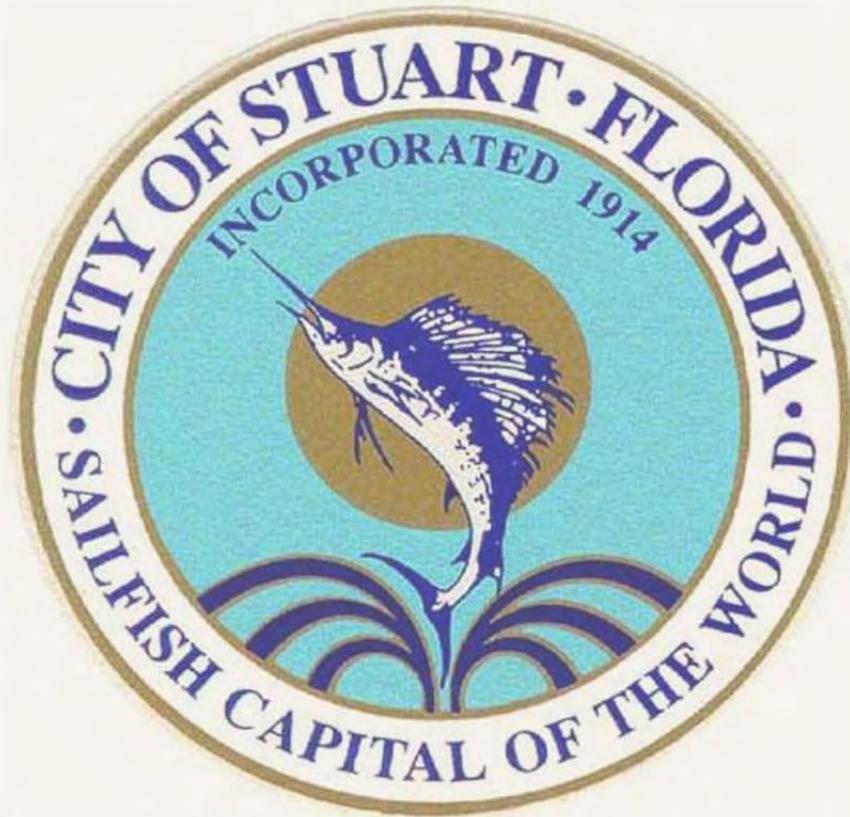
The experience of CB&H in serving the City of Stuart, Martin County and numerous Florida governments ensures we are familiar with relevant issues and provides excellent credentials to address implementation of new requirements and potential problems that may arise. We are on the forefront of technical and operational matters affecting Florida city government and, as such, are well positioned to serve the City of Stuart. In addition, our proposed engagement partner for the City of Stuart is the technical director for CB&H government services, and he is supported by highly qualified professionals included in this proposal, as well as a network of professionals dedicated to government services throughout the Firm.

In addition to our internal network of professionals, CB&H maintains a considerable network of regulatory agency contacts, including representatives of GASB, GFOA, OMB, the Florida Auditor General, the AICPA and granting agencies. Our professionals are also active in professional organizations and are frequent speakers and authors, providing additional insights into matters of interest to the City.

The expertise and depth of our professionals is complemented by a highly communicative process that includes proactive identification and timely resolution of matters. We find that the regular communication we have with City personnel and the regular assistance we provide through consultation on various matters assists in identifying and resolving issues, as does our knowledge of city government. In addition, our experience is that, due to changes in Florida Statutes or other common changes affecting cities, our services to various cities provides insights and benefits for each of our city clients.

Our approach to resolution of potential audit problems will be highly communicative and collaborative. We do not anticipate any special assistance beyond that which is customary from the City of Stuart personnel.

10. Report Format





10. Report Format

Independent Auditors' Report

Honorable Mayor, City Commission, and City Manager
City of Stuart, Florida:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Stuart, Florida (the "City"), as of and for the year ended September 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of September 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated ----, 2013 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis and required supplementary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Orlando, Florida

-----, 2013



**Independent Auditors' Report on Compliance with Requirements that
Could Have a Direct and Material Effect on Each Major Federal Program
and on Internal Control over Compliance in Accordance with OMB Circular A-133**

Honorable Mayor, City Commission, and City Manager
City of Stuart, Florida:

Compliance

We have audited the compliance of the City of Stuart, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2012. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of the major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 2012.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of



deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of City management, the City Commission, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Orlando, Florida

-----, 2013



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

Honorable Mayor, City Commission, and City Manager
City of Stuart, Florida:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Stuart, Florida (the "City") as of and for the year ended September 30, 2012, which collectively comprise the City's basic financial statements, and have issued our report thereon dated ----, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.



The Firm of Choice.

Proposal to Serve the City of Stuart, Florida

This report is intended solely for the information and use of City management, the Mayor, the City Commission and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Orlando, Florida

-----, 2013



Independent Auditors' Management Letter

Honorable Mayor, City Commission and City Management
City of Stuart, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Stuart, Florida (the "City"), as of and for the fiscal year ended September 30, 2012, and have issued our report thereon dated ----, 2013.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. We have issued our 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 with Requirements that Could Have a Direct and Material Effect on each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133, and Schedule of Findings and Questioned Costs. Disclosures in this report, which is dated ----, 2013, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports:

Section 10.554 (1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit of the financial statements of the City, nothing came to our attention that would cause us to believe that the City was in noncompliance with Section 218.415 regarding the investment of public funds.

Section 10.554(1)(i)3., Rules of the Auditor General, require disclosure in the management letter of any recommendations to improve the City's financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on determination of financial statements amounts that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.



Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (a) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (b) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. Such disclosure is included in the notes to the financial statements.

Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit of the financial statements of the City, the results of our tests did not indicate the City met any of the specified conditions of a financial emergency contained in Section 218.503(1). However, our audit does not provide a legal determination on the City's compliance with this requirement.

Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City for the fiscal year ended September 30, 2012, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2012. Our comparison of the financial report filed with the Florida Department of Financial Services to the City's 2012 audited financial statements resulted in no material differences.

Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

This letter is intended solely for the information and use of the City management, the Mayor, the City Commission and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Orlando, Florida

-----, 2013

11. Cost Proposal





11. Cost Proposal

This cost proposal contains all pricing information relative to performing the audit engagement as described in the RFP. The total all-inclusive maximum price to be bid contains all direct and indirect costs including out-of-pocket expenses.

It should be noted that we are achieving significant efficiencies in the fiscal 2011 audit due to process enhancement and a continued beneficial working relationship with the City Finance Department. Accordingly, we are providing price proposals based on estimated hours that are significantly less than previously experienced.

Total All-Inclusive Maximum Price for each of the five fiscal years

Fiscal Year	Annual Audit	Price	Single Audit	Price
2012/2013	Total All-Inclusive Maximum Cost of Service for Annual Audit	\$ 69,000	Total All-Inclusive Maximum Cost of Service for Single Audit (if needed)	\$ 7,500
2013/2014	Total All-Inclusive Maximum Cost of Service	\$ 70,587	Total All-Inclusive Maximum Cost of Service for Single Audit (if needed)	\$ 7,673
2014/2015	Total All-Inclusive Maximum Cost of Service	\$ 72,174	Total All-Inclusive Maximum Cost of Service for Single Audit (if needed)	\$ 7,846
2015/2016	Total All-Inclusive Maximum Cost of Service	\$ 73,761	Total All-Inclusive Maximum Cost of Service for Single Audit (if needed)	\$ 8,019
2016/2017	Total All-Inclusive Maximum Cost of Service	\$ 75,033	Total All-Inclusive Maximum Cost of Service for Single Audit (if needed)	\$ 8,157

Certification

Ronald A. Conrad, Partner, is entitled to represent CB&H, empowered to submit the bid and authorized to sign a contract with the City of Stuart.



Rates by Partner, Specialist, Supervisory and Staff Level

Level	Hours	Hourly Rates	Total
Partners	45	\$ 230	\$ 10,350
Manager	51	150	7,650
Senior	315	120	37,800
Staff	132	100	13,200
Total All-Inclusive Maximum Price for Fiscal Year 2012 Audit			\$ 69,000

Partners	5	\$ 230	\$ 1,150
Manager	9	150	1,350
Senior	35	120	4,200
Staff	8	100	800
Total All-Inclusive Maximum Price for Fiscal Year 2012 Single Audit			\$ 7,500

Level	Hours	Hourly Rates	Total
Partners	45	\$ 235	\$ 10,575
Manager	51	153	7,803
Senior	315	123	38,745
Staff	132	102	13,464
Total All-Inclusive Maximum Price for Fiscal Year 2013 Audit			\$ 70,587

Partners	5	\$ 235	\$ 1,175
Manager	9	153	1,377
Senior	35	123	4,305
Staff	8	102	816
Total All-Inclusive Maximum Price for Fiscal Year 2013 Single Audit			\$ 7,673

Level	Hours	Hourly Rates	Total
Partners	45	\$ 240	\$ 10,800
Manager	51	156	7,956
Senior	315	126	39,690
Staff	132	104	13,728
Total All-Inclusive Maximum Price for Fiscal Year 2014 Audit			\$ 72,174

Partners	5	\$ 240	\$ 1,200
Manager	9	156	1,404
Senior	35	126	4,410
Staff	8	104	832
Total All-Inclusive Maximum Price for Fiscal Year 2014 Single Audit			\$ 7,846



Level	Hours	Hourly Rates	Total
Partners	45	\$ 245	\$ 11,025
Manager	51	159	8,109
Senior	315	129	40,635
Staff	132	106	13,992
Total All-Inclusive Maximum Price for Fiscal Year 2015 Audit			\$ 73,761

Partners	5	\$ 245	\$ 1,225
Manager	9	159	1,431
Senior	35	129	4,515
Staff	8	106	848
Total All-Inclusive Maximum Price for Fiscal Year 2015 Single Audit			\$ 8,019

Level	Hours	Hourly Rates	Total
Partners	45	\$ 250	\$ 11,250
Manager	51	162	8,262
Senior	315	131	41,265
Staff	132	108	14,256
Total All-Inclusive Maximum Price for Fiscal Year 2016 Audit			\$ 75,033

Partners	5	\$ 250	\$ 1,250
Manager	9	162	1,458
Senior	35	131	4,585
Staff	8	108	864
Total All-Inclusive Maximum Price for Fiscal Year 2016 Single Audit			\$ 8,157

The stated Total All-Inclusive Maximum Cost of Service includes all out-of-pocket expenses for firm personnel.

Costs for Additional Professional Services

If it should become necessary for the City of Stuart to request CB&H to render any additional services to either supplement the services requested in the RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then any such additional work shall be performed only if set forth in an addendum to the contract between the City and CB&H. Any such additional work agreed to between the City and CB&H shall be performed at the hourly rates specified for audit services.



Appendix A. Peer Review Report



EisnerAmper LLP
2015 Lincoln Highway
P.O. Box 988
Edison, NJ 08818
T 732.287.1000
F 732.287.3200
www.eisneramper.com

August 27, 2010

System Review Report

To the Partners of Cherry, Bekaert & Holland L.L.P.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Cherry, Bekaert & Holland L.L.P. (the firm) applicable to non-SEC issuers in effect for the year ended April 30, 2010. 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. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*; audits of employee benefit plans, and an audit performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Cherry, Bekaert & Holland L.L.P., applicable to non-SEC issuers in effect for the year ended April 30, 2010, 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*. Cherry, Bekaert & Holland L.L.P. has received a peer review rating of *pass*.


EisnerAmper LLP



Appendix B. Required Forms

- Addenda
- Certificates of Insurance



City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Agent

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: January 25, 2012
To: All Prospective Proposers
Subj: Addendum #1 to RFP #2012-111, Municipal Audit Services

ADDENDUM #1

This addendum is issued as a result of questions asked, and consists of the following answers to questions asked:

Question #1: What were the 2011 fees? Did the fees include the Single Audit or was there a separate fee?

Answer #1: Annual Audit: \$76,500.00; Single Audit: \$13,600.00

Question #2: Approximately how long is the audit team on site at the City?

Answer #2: Approximately ten (10) business days.

Question #3: Does the City anticipate both a Federal and State Single audit for 2012?

Answer #3: Yes

Question #4: Are there any significant changes to the City's operations for 2012, such as new debt issues or changes in the number of funds.

Answer #5: No.

This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #1 to RFP #2012-111, Municipal Audit Services:

Signature

2-13-2012
Date

Cherry, Bekaert & Holland, L.L.P.
Firm



City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Agent

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 1, 2012
To: All Prospective Proposers
Subj: Addendum #2 to RFP #2012-111, Municipal Audit Services

ADDENDUM #2

This addendum is issued as a result of questions asked, and consists of the following answers to questions asked:

Question #1: How many major programs are included in the 2011 Federal and State single audit?

Answer #1: Three (3).

Question #2: How many major programs are anticipated for the 2012 Federal and State single audit?

Answer #2: At least two (2).

Question #3: Approximately how many audit team members were on site at the City?

Answer #3: Two (2) audit team members were on site.

Question #4: Were there any additional accounting service fees?

Answer #4: No.

This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #2 to RFP #2012-111, Municipal Audit Services:

Signature

2-13-2012

Date

Cherry, Bekaert & Holland, L.L.P.
Firm



City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Agent

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 2, 2012
To: All Prospective Proposers
Subj: Addendum #3 to RFP #2012-111, Municipal Audit Services

ADDENDUM #3

This addendum is issued to correct an answer in Addendum #1 and to clarify the Scope of Service for this project and consists of the following:

I. Correction to Question #2 included in Addendum #1 to RFP #2012-111, Municipal Audit Services. Delete Answer #2 in Addendum #1 and replace with the following:

Question #2: Approximately how long is the audit team on site at the City?
Answer #2: Approximately fifteen (15) business days.

II. Add the following to Section II. Scope of Service, Paragraph 2.02, Time Requirements:

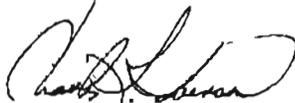
D. Special Consideration

Auditor shall compose and present to City, the Comprehensive Annual Financial Report (CAFR) for review and approval in sufficient time to meet the time constraints of Government Finance Officers Association of the United States and Canada.

The City submits its Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. The auditor shall be required to provide special assistance to the City to guarantee that the CAFR will meet the requirements of that program. The time requirements articulated in Section 2.02, paragraph B. Schedule for the 2011/2012 Fiscal Year Audit will necessitate a degree of advance planning and audit methodology. Audit firms are required to consider these time requirements and disclose the means by which their audit approach will adhere to these schedules.

This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,



Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #3 to RFP #2012-111, Municipal Audit Services:



Signature

2-13-2012

Date

Cherry, Bekaert & Holland, L.L.P.
Firm



CERTIFICATE OF LIABILITY INSURANCE

CHERR-2

OP ID: SH

DATE (MM/DD/YYYY)

10/10/11

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Scott Insurance (Rich) 1700 Bayberry Court Ste. 200 Richmond, VA 23226 Hutch Mauck-Richmond	804-545-2200	CONTACT NAME: Stacey W. Hall	
	804-545-2201	PHONE (A/C, No, Ext): 804-545-2216	FAX (A/C, No): 434-455-8938
		E-MAIL ADDRESS: shall@scottins.com	
		INSURER(S) AFFORDING COVERAGE	NAIC #
		INSURER A: Great Northern Ins Co (A++)	20303
		INSURER B: CINCINNATI INS CO (A+)	10677
		INSURER C: Chubb Indemnity Ins Co (A++)	12777
		INSURER D:	
		INSURER E:	
		INSURER F:	

INSURED
Cherry, Bekaert & Holland,LLP
Ray Christopher
PO Box 27327
Richmond, VA 23261-7327

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			3589-47-97 RIC	10/01/11	10/01/12	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. \$ 1,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			(11)7356-41-52	10/01/11	10/01/12	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			EXS 004 35 22	10/01/11	10/01/12	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N/A			(12)7171-66-16	10/01/11	10/01/12	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E L EACH ACCIDENT \$ 500,000 E L DISEASE - EA EMPLOYEE \$ 500,000 E L DISEASE - POLICY LIMIT \$ 500,000
							E

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

SAMPLE	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Stacey W Hall</i>

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VERIFICATION OF INSURANCE

ISSUED TO: Parties at Interest

We, the undersigned Insurance Brokers, hereby verify that Nautilus Insurance Company and Interstate Fire & Casualty Company have issued the following described Professional Liability Insurance, which is in force as of the date thereof-

PROFESSIONAL LIABILITY INSURANCE

NAME OF INSURED: Cherry, Bekaert & Holland, L.L.P. and others as more fully described in the Policy.

POLICY NUMBERS: PAP_1000004_P-3 and ACL-1000078

PERIOD OF INSURANCE: 12:01 a.m. October 30, 2011 to 12:01 a.m. October 30, 2012

SUM INSURED: \$1,000,000 Each claim and in the aggregate including costs, charges and expenses

SUBJECT TO ALL TERMS, CONDITIONS AND LIMITATIONS OF THE POLICY

This document is furnished to you as a matter of information only and is not insurance coverage. Only the formal policy and applicable endorsements offer a comprehensive review of the coverage in place. The issuance of this document does not make the person or organization to whom it is issued an additional insured, nor does it modify in any manner the contract of insurance between the Insured and the Insurer. Any amendment, change or extension of such contract can only be effected by specific endorsement attached thereto.

Issued at Chicago, Illinois

Lemme Insurance Group, Inc.

Date: November 1, 2011

Per: 

Jay Moroney
President



Appendix C. Reference Letters



City of Fort Myers, Florida

FINANCE DEPARTMENT
ACCOUNTING DIVISION
P.O. Drawer 2217
Fort Myers, Florida 33902-2217

September 16, 2009

To whom it may concern:

The City of Fort Myers entered into a four year contract with Cherry, Bekaert and Holland, L.L.P. for auditing purposes effective with the City's audit for fiscal year ended September 30, 2005, with an option to renew the contract for two additional one year periods upon mutual agreement of both parties.

The City has been very satisfied with the professionalism of Cherry, Bekaert and Holland's staff that have been assigned to the audits and their efforts to assign the same staff each year to minimize disruption in the existing working relationships. Therefore, it was an easy decision to renew their contract for fiscal year 2009.

We just experienced a change with the audit staff assignment as we worked with the Raleigh, NC, staff in prior fiscal years. We are now working with the Orlando staff and Mr. Ron Conrad, CPA, and Partner in charge of this engagement, ensured a smooth transition. In addition, he has maintained consistent contact with the Finance office throughout the summer to offer additional services if needed and guidance as we prepare for the 2009 Comprehensive Annual Financial Report (CAFR).

I would recommend Cherry, Bekaert and Holland, L.L.P. as a professional and courteous firm that provides personal attention with excellent qualifications and knowledge of Governmental Accounting Standards Board pronouncements. Their skills are greatly appreciated as we strive to prepare our CAFR in the format required by the Government Finance Officers Association.

Please feel free to contact me directly at 239.321.7159 if you have additional questions.

Sincerely,

Holly Simone

Holly Simone
Controller



MARSHA EWING

Clerk of the Circuit Court • Martin County • Florida
P.O. BOX 9016 • STUART, FLORIDA 34995 • (772) 288-5576
E-mail: mewing@martin.fl.us
www.martin.fl.us/GOVT/co/clerk

September 15, 2009

To Whom It May Concern:

I have been asked to write a letter of recommendation for Cherry, Bekaert & Holland, LLP, and am most pleased to do so. The firm has provided Martin County with audit services since 2005 and has developed an effective working relationship over the years. Ronald A. Conrad, CPA has served as partner and **he and his staff are always willing to assist County staff, as needed.** In particular, the auditors are willing to provide guidance with the implementation of new GASB pronouncements.

Occasionally there are items of dispute between county and audit staff. **All items are resolved to a successful conclusion and deadlines are consistently met.** Audit staff and county staff meet both pre-audit for scheduling and post-audit to discuss any pending issues.

My overall experience with Cherry, Bekaert & Holland, LLP has been favorable and I do not hesitate to recommend them to you as your independent auditor.

If you have any questions or need further information, please feel free to contact me.

Sincerely,

Sandra M. Smith, CPA
Director of Finance
Martin County Clerk of Courts
2401 SE Monterey Road
Stuart, FL 34996
Phone: (772) 288-5529
Fax: (772) 288-5714
<http://clerk-web.martin.fl.us/ClerkWeb/ssmith@martin.fl.us>



April 29, 2011

To Whom It May Concern:

Hillsborough County, Florida is a general-purpose government with annual revenues in excess of \$1.7 billion. During fiscal year 2010, Hillsborough County selected Cherry, Bekaert & Holland, L.L.P. (CB&H) to be the County's independent auditors for a six-year audit contract. The annual County audit covers the audits of the Board of County Commissioners, the five Constitutional Officers, federal and state Single Audits, the two enterprise funds, and other reports/agreed upon procedures.

I am responsible for preparation of the County's Comprehensive Annual Financial Report, coordination of the annual County audit, and other operational duties within the County Finance Department. I worked directly with CB&H Partner Ron Conrad, Partner John Gilberto, Manager Carrie Cross, Manager Stephanie Rosensky, and several audit staff members during their audit of the Board of County Commissioners and the County as a whole. We are very satisfied with the audit services provided by CB&H. Our first year of transition from a big-four accounting firm to CB&H went very smoothly. It was a much more pleasant experience than we expected due to their audit approach, knowledge, and experience. CB&H partners, managers, and staff demonstrated their knowledge of Florida local government operations, governmental accounting and auditing, and general business experience. We noted that several staff auditors were CPAs and their level of knowledge and experience made the audit more efficient from our perspective. The entire CB&H team was responsive and easy to work with. CB&H was also quite timely during their first year, with the completion of the first year's audit not much later than when the prior firm completed its audit. This slight delay was probably related to their extra effort in working through some problems which were successfully resolved. We feel that we received an outstanding audit and now have higher quality financial reports as well. I highly recommend Cherry, Bekaert & Holland, L.L.P., as a premier and outstanding independent audit firm.

Sincerely,

Ajay B. Gajjar, CPA, CMA, CFM, CTP, CIA, CGFO
Assistant Finance Director, Hillsborough County Clerk of Circuit Court
(813)307-7026, gajjar@hillsclerk.com



Charlotte County

BARBARA T. SCOTT
Clerk of the Circuit Court and County Comptroller

350 E. Marion Ave. P.O. Box 511687 Punta Gorda, FL 33951 (941) 505-4716

September 16, 2009

To Whom It May Concern:

Cherry, Bekaert & Holland has been Charlotte County's external auditor since Fiscal Year 2005, performing the annual financial audit of the Board of County Commissioners as well as the Consolidated Annual Financial Report. During that time I have had the pleasure of working with them in my capacity of Finance Director.

The teams assigned to Charlotte County have been extremely knowledgeable, possess good communication skills, high energy levels, and work with staff at every step to ensure that we are all accomplishing our goals in a timely fashion. They are very responsive to questions, researching issues where needed to reach a consensus.

The firm ensures that enough team members are assigned to meet timely completion of audit within the applicable deadlines and are very dedicated to the needs of the client throughout the audit process.

I would sincerely recommend Cherry, Bekaert & Holland to be engaged as your organization's audit firm.

Yours truly,

Ann Marie Larrivee
Charlotte County Finance Director
Ann.larrivee@co.charlotte.fl.us



September 30, 2009

To Whom It May Concern:

Cherry, Bekaert & Holland, L.L.P. has served as the external auditor for the Orange County, Florida Tax Collector, performing the annual audit of the Tax Collector's basic financial statements since fiscal year ended September 30, 2001. Since that time, I have had the pleasure of working with the Firm in my capacity as Chief Financial Officer, and more recently, as a member of the County's Audit Committee.

The Firm's excellent service and in-depth knowledge of government accounting and auditing are primary reasons for the Tax Collector's long-standing and continued relationship with the Firm. We appreciate the Firm's efforts to assign the same staff each year to our audit, which has proven to be both time and cost effective. Year after year, the engagement team has been able to gather the information necessary to complete the audit and work effectively with our staff. Since we first engaged the Firm, our audits have been completed in a timely manner.

My staff and I appreciate the professionalism and expertise of the Firm's staff and management. The engagement team is accessible and responds promptly to our questions. Additionally, the staff assigned to the Tax Collector is knowledgeable as to our operating environment and accounting and audit requirements. The Firm has considerable expertise in auditing local governments, maintains an awareness of ongoing changes in government financial reporting and is flexible and accommodative.

The Tax Collector has been very pleased with the auditing services we have received from Cherry, Bekaert & Holland, L.L.P. and highly recommends the Firm to be engaged as your organization's audit firm.

Very truly yours,

Kelly Goodwin
Chief Financial Officer



EARL K. WOOD, TAX COLLECTOR

The Sun Trust Center Tower • 200 South Orange Avenue • Reply To: Post Office Box 2551 • Orlando, Florida 32802-2551
(407) 836-2705 • <http://www.tax.co.orange.fl.us>

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

817 Bill Beck Boulevard • Kissimmee • Florida 34744-4492
Phone: 407-870-4600 • Fax: 407-870-4010 • www.osceola.k12.fl.us

SCHOOL BOARD MEMBERS

District 1 – Jay Wheeler
407-390-0505
District 2 – Marjorie Guillen-Melendez
407-922-5113
District 3 – Cindy Lou Hartig
407-832-3999
District 4 – David Stone, Vice Chair
407-933-2700
District 5 – John McKay, Chair
407-957-4056



Superintendent of Schools
Michael A. Grego, Ed.D.

March 15, 2010

To Whom It May Concern:

The School District of Osceola County selected Cherry, Bekaert & Holland, L.L.P. as its independent auditors through an RFP process in 2001. We appreciated the specific nature of their response to our request as opposed to the more generic, canned approaches taken by some of the larger firms. Shortly thereafter, we expanded our original engagement to include Internal Accounts. Since that time, we have also contracted with the firm to perform a risk assessment of the District as well as to review insurance claims processed through our third party administrators. A few years ago, Cherry, Bekaert & Holland, L.L.P. assisted us in preparing our first Comprehensive Annual Financial Report and we have received the GFOA Certificate of Achievement for Excellence in Financial Reporting each year since.

We have always been impressed by the qualifications and professionalism of the staff assigned to our engagements. We also like the close access we've had to upper management of the firm. Tony Morris was our audit partner for several years and worked closely with senior manager, Alisa Train, and audit manager, Sarah Graber, both of whom have had direct involvement in the day to day fieldwork of our engagements. Tony Morris recently retired and Jim Burdick has taken over as our engagement partner. We have found Jim to be very knowledgeable in governmental accounting matters and have been very pleased with the transition. Jim continues to provide the same high quality level of service we have always received from Cherry, Bekaert & Holland, L.L.P.

In addition to the significant level of involvement we receive from upper management, lower level staff have always been very pleasant to work with and seem to be knowledgeable and well trained in auditing Florida school districts. I feel our audits are thorough, but are accomplished without the auditors placing unnecessary demands on my staff. The auditors work around our schedules and have always been reasonable in accepting our explanations and supporting documentation. I feel that we made the right decision in selecting Cherry, Bekaert & Holland, L.L.P. I would recommend them as a professional, conscientious audit firm offering personal attention and direct access to high level personnel within the firm.

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Collins", with a long horizontal flourish extending to the right.

William C. Collins
Chief Business & Finance Officer



**OFFICE OF THE EXECUTIVE DIRECTOR
FINANCIAL SERVICES**
5775 Osceola Trail
Naples, Florida 34109-0919
(239) 377-0036
(239) 377-0071 FAX

March 15, 2010

To Whom It May Concern:

The District School Board of Collier County, Florida has engaged Cherry, Bekaert & Holland (CBH) as our independent auditors since the fiscal year 1999.

CBH management and employees have always conducted themselves in a professional manner and have work collaboratively with the District throughout its audit process. Cherry, Bekaert & Holland has an excellent working knowledge of school systems and is able to communicate with our staff effectively and efficiently. The firm has always been available to answer questions and provide additional guidance when necessary. Their expertise and guidance on accounting standards has enabled the District to improve its financial presentation over the years.

The CBH audit teams assigned to our school district have always worked cooperatively with our staff, recognized current workload requirements and worked through the audit engagement in very professional manner. The firm has always completed the annual independent audit in a timely and expeditiously fashion.

I would highly recommend the firm Cherry, Bekaert and Holland to any organization seeking professional and highly qualified auditors, accountants or consultants.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert C. Spencer".

Robert C. Spencer
Executive Director of Financial Services

RCS:cll



September 21, 2009

To Whom It May Concern:

It is my pleasure to recommend the firm of Cherry Baekert and Holland, L.L.C. and Mr. Ron Conrad to serve as independent auditors for your organization. I have known Ron for the past four years and have dealt with the firm for that same period of time as they currently serve as auditors for the Central Florida Regional Transportation Authority. The firm also serves as auditors for our Union Pension Plan.

The staff's knowledge of accounting pronouncements, especially Ron's knowledge of Governmental Accounting Standards Board (GASB) pronouncements is exceptional. I have heard Ron speak at the University of Central Florida (UCF) Annual Accounting Conference where he has been a guest lecturer for the past several years. However, it is not only the firm's accounting knowledge that is impressive, but also the firm's business approach to the audit that has been extremely helpful from the clients' perspective. Ron and his staff are very flexible when working with my staff to perform their review but more importantly, have retained the same key staff members on our audit for the past four years. This has significantly reduced the amount of our time in familiarization with our company and processes and has thus contributed to a very efficient and thorough audit process.

In addition, the firm does an outstanding job of presenting the report to our elected Board of Commissioners each year. The firm reviews our annual Comprehensive Annual Financial Report, which is submitted to the Government Finance Officers Association (GFOA) to receive the Certificate of Excellence in Financial Reporting. We have been successful in receiving this certification for the past thirteen (13) consecutive years.

Having served as a Chief Financial Officer in the public sector for the past 26 years, I am very familiar with the auditing requirements for public entities. I can say without hesitation that the firm of Cherry Bekaert & Holland is one of the most qualified firms I have ever had the pleasure of working with and would highly recommend them to perform audits of public agencies.

If I can answer any questions or be of any further assistance, please feel free to contact me at 407.254.6047.

Sincerely,

Albert J. Francis II, CPA
Chief Financial Officer

407-841-2279
www.golynx.com

455 North Garland Avenue
Orlando, FL 32801-1518



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

BARBARA ASHLEY JONES
CHAIRMAN

CLEMENTE CUEVAS
VICE CHAIRMAN

VERNICE ATKINS-BRADLEY
BOARD MEMBER

SASCHA RIZZO
BOARD MEMBER

JEFFERY A. STUEVE
BOARD MEMBER

November 9, 2009

To Whom It May Concern:

Cherry, Bekaert & Holland, L.L.P. served as independent auditors for Orange County Housing Finance Authority for the fiscal year ended September 30, 2004 and each year thereafter through the fiscal year ended September 30, 2008. During that time, I had the pleasure of working with the firm in my capacity as Chief Financial Officer.

The professional service team always provided excellent client service, including promptly addressing any questions or concerns that we may have had. In addition, we appreciate the firm's efforts to assign the same staff each year to our audit, which led to an extremely knowledgeable and efficient audit team. The firm was very attentive to our audit deadlines and was always able to meet them. In addition to meeting the audit deadlines, the firm was accessible during our preparation of each annual financial report and provided guidance as needed.

My staff and I appreciate the professional and courteous demeanor of the firm's staff and management. The firm was always flexible and accommodative to our staff's schedules. In addition, the firm has extensive knowledge and expertise in auditing local governments and maintains an awareness of ongoing changes in government financial reporting. More specifically, the engagement team members are very knowledgeable in Government Accounting Standards Board pronouncements.

The Orange County Housing Finance Authority has been very pleased with the auditing services we have received from Cherry, Bekaert & Holland, L.L.P. and does not hesitate to highly recommend them to be engaged as your organization's independent audit firm. If I can be of further assistance, feel free to contact me at (407) 894-0014.

Very truly yours,

Jaiseery Arjoonsingh
Deputy Executive Director/CFO