

Justin Paré, President
John Simmons, Vice President
John Costello
Daniel Donovan
Mark Gould, Jr.



Darius Gregory
Andrew Shanahan
Andrea Slobogan
Patricia St. Pierre

Town of North Attleborough

TOWN COUNCIL

FINANCE SUB COMMITTEE

43 South Washington Street, North Attleborough, MA 02760

Phone: (508) 699-0100

PUBLIC MEETING

JUNE 24, 2024 at 6:00 PM

TOWN HALL LOWER-LEVEL CONFERENCE ROOM

43 South Washington Street, North Attleborough, MA

I. Pledge Of Allegiance

II. Approval Of Minutes

- a. Approval of Finance Sub-Committee Minutes of June 12, 2024
- b. Approval of Finance Sub-Committee Executive Session Minutes of June 6, 2024

III. Resident And Community Comment

IV. Old Business

- a. None at this time.

V. New Business

- a. Measure 2024-119-Contract Approval - Appointment of Town Auditor - CLA (CliftonLarsonAllen LLP) for Fiscal Year 25

Documents:

[*MEASURE 2024-119- CONTRACT APPROVAL - APPOINTMENT OF TOWN AUDITOR - CLA FOR FY25.COMPLETE.SIGNED.PDF*](#)

VI. Adjournment



Measure #: 2024-119

TOWN COUNCIL MEASURE SUBMITTAL

Date: 5/29/2024

Submitted By: Town Manager

Telephone #: 508-699-0100

MEASURE DESCRIPTION:

Contract Approval - Appointment of Town Auditor - CLA (CliftonLarsonAllen LLP) for Fiscal Year 2025

Signed: Michael Borg

Digitally signed by Michael Borg
DN: c=US, ou=Town Manager, cn=Michael Borg, email=Emborg@
northattleborough.com
Reason: I am approving this document
Date: 2024.05.24 11:05:34 -04'00'
Foxx PDF Editor Version: 12.0.0

PURPOSE AND JUSTIFICATION:

Pursuant to Sections 2-7 and 6-9 of the Town Charter, the Town Council is charged with appointing an independent auditor within 30 days of the beginning of the fiscal year, which begins on July 1 annually. The auditor provides services in the current fiscal year, looking back at the previous fiscal year's finances. This appointment marks year one of a five-year contract, with the initial year being Fiscal Year 2025 and four option years for Fiscal Years 2026, 2027, 2028, and 2029.

Therefore, it is my recommendation that the Town Council appoint CLA (CliftonLarsonAllen LLP) as the Town's Independent Auditor to audit the Town's finances for Fiscal Year 2024. The contract will run through June 30, 2025, with four remaining option years.

SPECIAL REQUIREMENTS:

ATTACHMENTS:

REFER TO SUB-COMMITTEE: Finance



AGREEMENT FOR CLA (CliftonLarsonAllen LLP)

Department: Town Manager Account #: 011369-530002
Department #: 123
Vendor: CLA (CliftonLarsonAllen) Total Contract Amount: \$73,500.00
Vendor #: Year Number of Total Years: 5
Requisition #: Year Number of Total Years: 1
PO#: Applicable Procurement: Request for Proposal
Items/Services Purchased: Town Auditing Services for the Town

The following provisions shall constitute an Agreement between the Town of North Attleborough, acting by and through its Town Manager, hereinafter referred to as "Town," and **CLA (CliftonLarsonAllen LLP)** with an address of **Two International Place, 22nd Floor, Boston, MA 02110** hereinafter referred to as "Contractor", effective as the **1st day of July, 2024**. In consideration of the mutual covenants contained herein, the parties agree as follows:

ARTICLE 1: SCOPE OF WORK:

The Contractor will provide **Professional Audit Service for the Town of North Attleborough** per the Proposal dated **February 5, 2024** to the Town that is/are attached hereto and incorporated herein to this contract.

ARTICLE 2: TIME OF PERFORMANCE:

The Contractor shall complete all work and services required hereunder commencing **JULY 1, 2024** through **JUNE 30, 2025**.

ARTICLE 3: COMPENSATION:

The Town shall pay the Contractor for the performance of the work outlined in Article 1 above the contract sum of **\$73,500.00 as per the Contractor Price Submittal Form**. The Contractor shall submit invoices, which will be due 45 days following receipt by the Town.

ARTICLE 4: CONTRACT DOCUMENTS:

The following documents form the Contract and all are as fully a part of the Contract as if attached to this Agreement or repeated herein:

- 1) This Agreement
- 2) The Contractor's proposal
- 3) Amendments, or other changes mutually agreed upon between the parties
- 4) All attachments to the Agreement.

In the event of conflicting provisions, the order of precedence of documents shall be as set forth above in this Section 4.

ARTICLE 5: CONTRACT TERMINATION:

The Town may suspend or terminate this Agreement by providing the Contractor with ten (10) days written notice for the reasons outlined as follows:

- 1) Failure of the Contractor, for any reason, to fulfill in a timely and proper manner its obligations under this Agreement.
- 2) Violation of any of the provisions of this Agreement by the Contractor.
- 3) A determination by the Town that the Contractor has engaged in fraud, waste, mismanagement, misuse of funds, or criminal activity with any funds provided by this Agreement.

Either party may terminate this Agreement at any time for convenience by providing the other party written notice specifying therein the termination date which shall be no sooner than thirty (30) days from the issuance of said notice. Upon receipt of a notice of termination from the Town, the Contractor shall cease to incur additional expenses in connection with the Agreement. Upon such termination, the Contractor shall be entitled to compensation for all work completed prior to the termination date as determined by the Town. Such payment shall not exceed the fair value of the services provided hereunder.

ARTICLE 6: INDEMNIFICATION:

To the fullest extent permitted by law the Contractor shall defend, indemnify, and hold harmless the Town and its officers, agents, and all employees ("Indemnitees") from and against all claims ("Claims") arising directly from the gross negligence or willful misconduct of the Contractor in the performance of its obligations under this Agreement. Contractor shall be solely responsible for all local taxes or contributions imposed or required under the Social Security, Workers' Compensation, and income tax laws. This shall not be construed as a limitation of the Contractor's liability under the Agreement or as otherwise provided by law. Contractor's indemnification obligations hereunder shall not extend to Claims arising from the sole negligence or willful misconduct of Indemintees.

ARTICLE 7: AVAILABILITY OF FUNDS:

The compensation provided by this Agreement is subject to the availability and appropriation of funds.

ARTICLE 8: APPLICABLE LAW:

The Contractor agrees to comply with all applicable local, state and federal laws, regulations and orders relating to the completion of this Agreement. This Agreement shall be governed by and construed in accordance with the law of the Commonwealth of Massachusetts.

ARTICLE 9: ASSIGNMENT:

The Contractor shall not make any assignment of this Agreement without the prior written approval of the Town.

ARTICLE 10: AMENDMENTS:

All amendments or any changes to the provisions specified in this Contract can only occur when mutually agreed upon by the Town and Contractor. Further, such amendments or changes shall be in writing and signed by officials with authority to bind the Town. No amendment or change to the contract provisions shall be made until after the written execution of the amendment or change to the Contract by both parties.

ARTICLE 11: INDEPENDENT CONTRACTOR:

The Contractor acknowledges and agrees that it is acting as an independent contractor for all work and services rendered pursuant to this Agreement and shall not be considered an employee or agent of the Town for any purpose.

ARTICLE 12: INSURANCE:

The Contractor shall be responsible to the Town or any third party for any property damage or bodily injury caused by it, any of its subcontractors, employees, or agents in the performance of, or as a result of, the work under this Agreement. The Contractor and any subcontractors used hereby certify that they are insured for workers' compensation, commercial general liability-bodily injury, property damage, personal and product liability and completed operations. The Contractor, and any subcontractor it uses, shall purchase, furnish copies of, and maintain in full force and effect insurance policies in the amounts here indicated.

General Liability

\$1,000,000 per occurrence

\$2,000,000 aggregate

Automobile Liability

\$1,000,000 combined single limit per accident

Workers' Compensation Insurance

Statutory coverage for all employees in accordance with Massachusetts General Laws

Employers Liability \$500,000/\$500,000/\$500,000

Umbrella Liability Insurance

Minimum Coverage \$1,000,000 per occurrence

Prior to commencement of any work under this Agreement, the Contractor shall provide the Town with Certificates of Insurance which include the Town as an additional named insured on all policies, except Workers' Compensation Insurance, and which include a thirty-day notice of cancellation to the Town.

ARTICLE 13: SEVERABILITY:

If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal, or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.

ARTICLE 14: ENTIRE AGREEMENT:

This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations, and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

ARTICLE 15: ADDITIONAL CONDITIONS

CONTRACTOR's services cannot be relied upon to disclose all errors, fraud, or noncompliance with laws and regulations. Except as described in this Agreement, any applicable SOW and the RFP and CLA's response thereto, CONTRACTOR has no responsibility to identify and communicate deficiencies in TOWN'S internal controls as part of any services.

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

The workpapers and files supporting the services CONTRACTOR performs are the sole and exclusive property of CONTRACTOR and constitute confidential and proprietary information. CONTRACTOR does not provide access to its workpapers and files to TOWN or anyone else in the normal course of CONTRACTOR. Unless required by law or regulation to the contrary, CONTRACTOR retain its workpapers and files in accordance with its record retention policy that typically provides for a retention period of seven years. After this period expires,

CONTRACTOR's workpapers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time CONTRACTOR's records are available. The workpapers and files of CONTRACTOR are not a substitute for TOWN's records.

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

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

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

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

ARTICLE 16: COUNTERPARTS:

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be a counterpart original.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

CONTRACTOR

By 

Jennifer Cook, Signing Director 6/17/24
Printed Name and Title Date

ATTORNEY

Approved as to Form:

By _____

Printed Name – Town Attorney Date

TOWN ACCOUNTANT

Approved as to Availability of Funds:

Contract Sum (\$ _____)

By _____

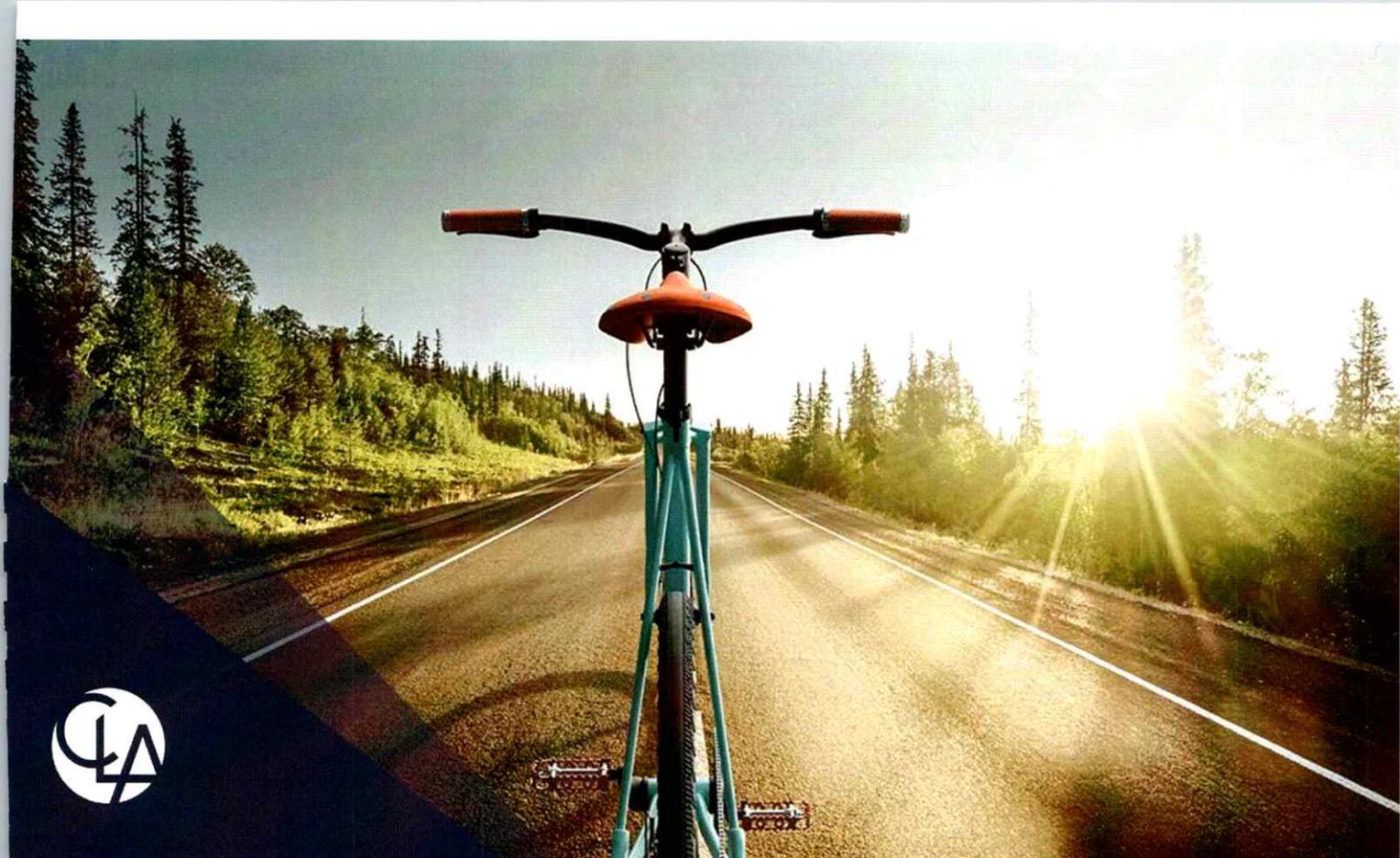
Printed Name – Town Accountant Date

TOWN OF NORTH ATTLEBOROUGH

By its Town Manager

Michael D. Borg, Town Manager Date

AGREEMENT FOR: CLA (CliftonLarsonAllen LLP)



COPY

February 05, 2024

Proposal to provide professional
audit services to:

Town of North Attleborough

Cost Proposal

Prepared by:
Jennifer Cook, Signing Director
jennifer.cook@CLAconnect.com
Direct 617-984-8187

CLAconnect.com

CPAS | CONSULTANTS | WEALTH ADVISORS

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



Professional Fees

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

CLA understands the importance of providing our clients with value-added strategies. As part of our fee, we propose to hold routine, proactive meetings to review and discuss the impact of new accounting issues and other business issues you are facing. We'll help you decide how to handle challenges as they come up — and take advantage of every potential opportunity. **See our proposed fees in the Price Submittal form on next page.**

The other misc. fees proposed represent a 5% Technology and Client Support Fee. Like most firms, we are investing heavily in technology to enhance the client experience, protect our data environment, and deliver quality services. We believe our clients deserve clarity around our technology and client support fee, and we will continue to be transparent with our fee structure.

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

- Being available for brief routine questions at no additional charge.
- Transparency and fairness in our fee structure and discussions.
- Mutual, up-front agreement on any additional charges not discussed in this proposal.

Billing for phone calls and questions

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

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

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



PRICE SUBMITTAL FORM – Page 1 of 2

The Town will select from a five year price. Accordingly, the submissions are to be presented as follows:

We anticipate working On-Site (North Attleborough Town Offices) for a minimum of 5 days.

(Note: These costs assume Retirement Board audit has been performed by another CPA)

<u>Fiscal Year Ended</u>	<u>Cost Not To Exceed</u>
June 30, 2024	\$ <u>73,500</u>
June 30, 2025	\$ <u>75,810</u>
June 30, 2026	\$ <u>78,120</u>
June 30, 2027	\$ <u>80,430</u>
June 30, 2028	\$ <u>82,845</u>

Please provide the following detail of the not to exceed cost of each of the three years in the format listed below:

<u>Fiscal year 2024</u>	<u>Audit & Review Hrs.</u>	<u>Report Prep. Hrs.</u>	<u>Total Cost</u>
Partner (Name/Rate)	<u>23</u>	<u>25</u>	<u>12,000</u>
Manager (Name/Rate)	<u>70</u>	<u>25</u>	<u>17,000</u>
Staff (Names & Rates)	<u>302</u>	<u>30</u>	<u>41,000</u>
Other Misc. Costs			<u>3,500*</u>
TOTAL COST			<u>73,500</u>
<u>Fiscal year 2025</u>	<u>Audit & Review Hrs.</u>	<u>Report Prep. Hrs.</u>	<u>Total Cost</u>
Partner (Name/Rate)	<u>23</u>	<u>25</u>	<u>12,400</u>
Manager (Name/Rate)	<u>70</u>	<u>25</u>	<u>17,500</u>
Staff (Names & Rates)	<u>302</u>	<u>30</u>	<u>42,300</u>
Other Misc. Costs			<u>3,610*</u>

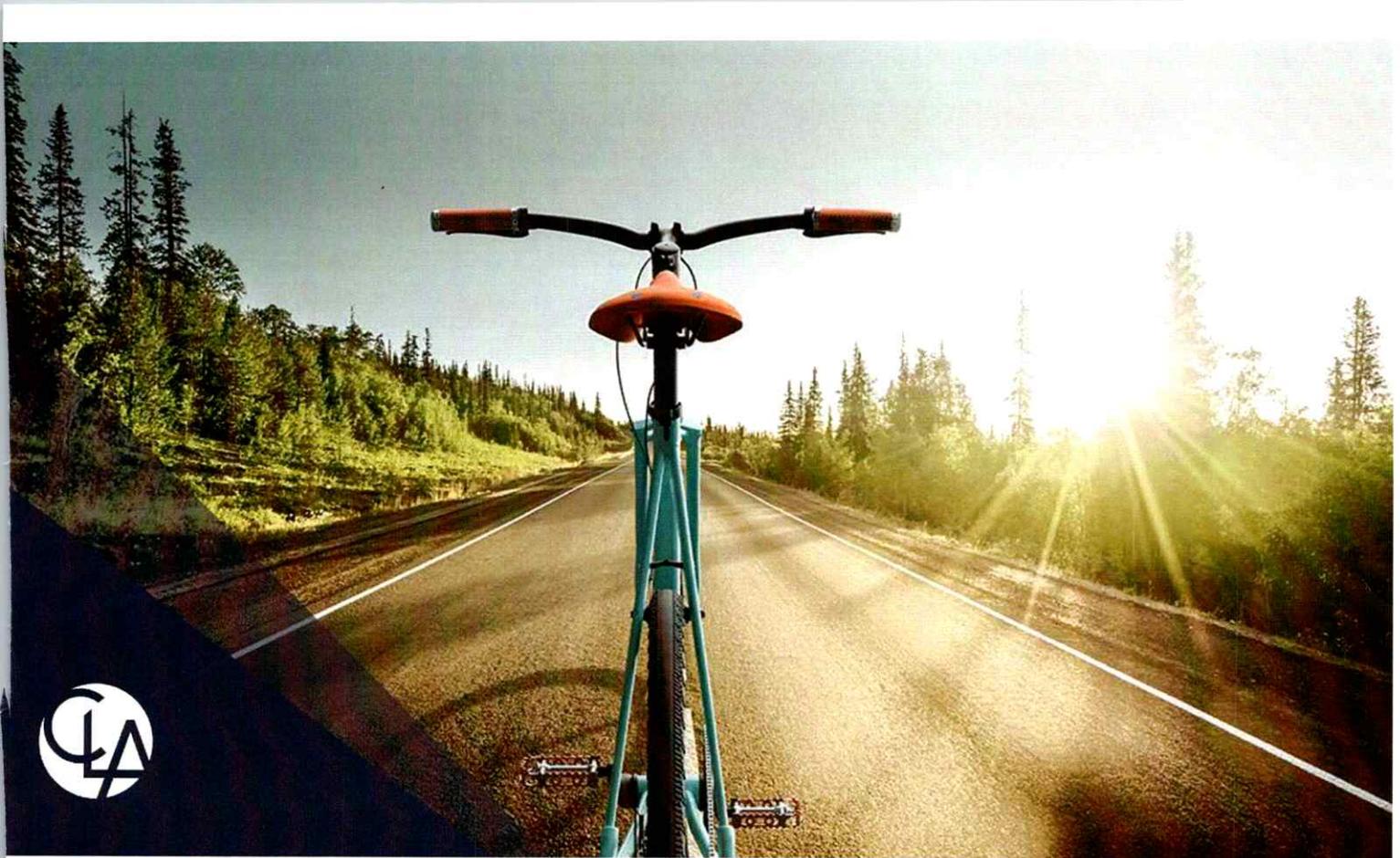
TOTAL COST 75,810

PRICE SUBMITTAL FORM – Page 2 of 2

<u>Fiscal year 2026</u>	<u>Audit & Review Hrs.</u>	<u>Report Prep. Hrs.</u>	<u>Total Cost</u>
Partner (Name/Rate)	<u>23</u>	<u>25</u>	<u>12,800</u>
Manager (Name/Rate)	<u>70</u>	<u>25</u>	<u>18,000</u>
Staff (Names & Rates)	<u>302</u>	<u>30</u>	<u>43,600</u>
Other Misc. Costs			<u>3,720*</u>
TOTAL COST			<u>78,120</u>

<u>Fiscal year 2027</u>	<u>Audit & Review Hrs.</u>	<u>Report Prep. Hrs.</u>	<u>Total Cost</u>
Partner (Name/Rate)	<u>23</u>	<u>25</u>	<u>13,200</u>
Manager (Name/Rate)	<u>70</u>	<u>25</u>	<u>18,500</u>
Staff (Names & Rates)	<u>302</u>	<u>30</u>	<u>44,900</u>
Other Misc. Costs			<u>3,830</u>
TOTAL COST			<u>80,430</u>

<u>Fiscal year 2028</u>	<u>Audit & Review Hrs.</u>	<u>Report Prep. Hrs.</u>	<u>Total Cost</u>
Partner (Name/Rate)	<u>23</u>	<u>25</u>	<u>13,600</u>
Manager (Name/Rate)	<u>70</u>	<u>25</u>	<u>19,100</u>
Staff (Names & Rates)	<u>302</u>	<u>30</u>	<u>46,200</u>
Other Misc. Costs			<u>3,945</u>
TOTAL COST			<u>82,845</u>



COPY

February 5, 2024

Proposal to provide professional
audit services to:

Town of North Attleborough

Technical Proposal

Prepared by:

Jennifer Cook, Signing Director
jennifer.cook@CLAconnect.com
Direct 617-984-8187

CLAconnect.com

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





CliftonLarsonAllen LLP
CLAconnect.com

February 5, 2024

Kerrin Billinghoff, Clerk of the Town Council
Town of North Attleborough
43 South Washington Street
North Attleborough, MA 02760

Dear Kerrin:

Thank you for inviting us to propose. We look forward to the opportunity to provide services to Town of North Attleborough (the Town).

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

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

members of our state and local government services team who understand the issues and environment critical to governmental entities.

- **Fresh perspective** – By engaging CLA, the Town will benefit from a fresh look at its business operations, information systems, and financial risk management policies and procedures. You will be served by an engagement team with enthusiasm and a desire to meet and exceed expectations. We are confident that our industry experience will bring to the Town new ideas, creative approaches, and fresh opportunities to meet the financial management and accountability challenges before the Town.

Verification statements

I, Jennifer Cook, your engagement signing director, will serve as the Town's primary contact person for this engagement. Furthermore, as a signing director of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the Town's RFP. Our proposal is valid for a period of 30 days from the submittal. My contact information is as follows:

Jennifer Cook, Signing Director
Email: jennifer.cook@CLAconnect.com
Direct: 617-984-8187

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

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

Sincerely,

CliftonLarsonAllen LLP



Jennifer Cook
Signing Director
jennifer.cook@CLAconnect.com
617-984-8187

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The Firm

1. Firm information

Firm name	CLA (CliftonLarsonAllen LLP)
Business address	CLA Boston Two International Place 22nd Floor Boston, MA 02110
Date and state of incorporation	CLA is an LLP and not a corporation. Our partnership was certified in the state of Minnesota.
Years in business	<p>On January 1, 2012, two regional firms, Clifton Gunderson and LarsonAllen, merged to become CLA. We're celebrating 11 years as CLA, but the roots of our culture reach back much further.</p> <ul style="list-style-type: none">• 1953: Rholan Larson and John Allen create a partnership• 1960: Clifton, Gunderson, Coker & Debruyn is established• 2012: CLA is born
Years of experience in providing municipal auditing services	60+ years



2. Firm qualifications and experience

Firm overview

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



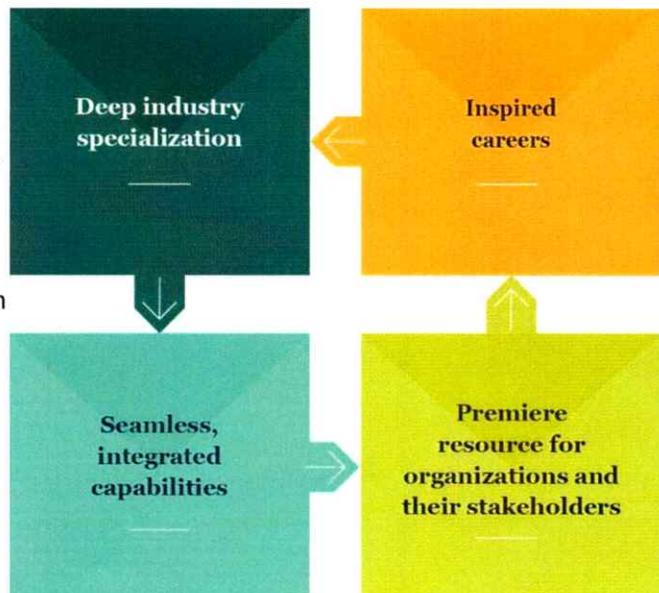
As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.

Opportunities for you

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

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

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



Opportunities for our people

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

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

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

Opportunities for our community

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

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

Read more in CLA's annual Promise Report.



State and local government experience

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

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

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



Single audit experience

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



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

Single Audit Resource Center (SARC) award

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



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

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



Deep industry connections

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



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

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

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

Insight to strengthen your organization

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

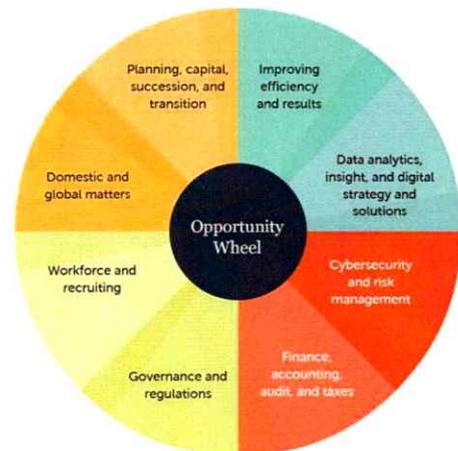
- [National webinars](#) — Access complimentary professional development opportunities for your team.
- [Articles and white papers](#) — Stay current on industry information as issues arise.

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

Support at every turn

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

- [Affordable Care Act \(ACA\) reporting and compliance](#)
- [Audit](#), review, and compilation of financial statements
- Compliance audits (HUD, OMB Single Audits)
- [COVID-19 funding support](#)
- [Cybersecurity](#)
- [Enterprise risk management](#)
- [Forensic accounting, auditing, and fraud investigation](#)
- Fraud risk management
- [Grant compliance](#)



- Implementation assistance for complex Governmental Accounting Standards Board (GASB) statements
- Internal audit
- Outsourced business operations
- Performance auditing
- Purchase card (p-card) monitoring and analytics
- Risk assessments
- Strategic, financial, and operational consulting
- Telecom management services

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



Massachusetts municipal auditing experience

CLA understands and appreciates Massachusetts governmental organizations like no other firm. CLA has a team of professionals in our Boston office that focus nearly 100% of their efforts in the government industry. Our government services team specifically chose to work in this industry. As such, our people are passionate about what they do and eager to exceed your expectations both now and well into the future.



As a CPA firm experienced in serving state and local units of government, CLA is very aware of the financial and legal compliance requirements that governmental officials are faced with daily, specifically in the Commonwealth of Massachusetts. Members of your engagement team currently audit more than 50 governmental organizations in Massachusetts and have dedicated their career to serving governmental entities in the Commonwealth and throughout the New England region.

References

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

City of Waltham, Massachusetts	
Client Contact	Paul Centofanti, City Auditor
Phone Number Email	781-314-3222 pcentofanti@city.waltham.ma.us
Address	610 Main Street, Waltham, MA 02452

City of Brockton, Massachusetts	
Client Contact	Karen Preval, City Auditor
Phone Number Email	508-580-7153 kpreval@cobma.us
Address	45 School Street, Brockton, MA 02301

Town of Natick, Massachusetts	
Client Contact	Mr. John Townsend, Finance Director
Phone Number Email	508-647-6416 jtownsend@natickma.org
Address	13 E Central St, Natick, MA 01760



Town of Edgartown, Massachusetts

Client Contact	Ms. Amelia (Amy) Tierney, Town Accountant
Phone Number Email	508-627-6125 atierney@edgartown-ma.us
Address	70 Main Street, 1 st Floor, Edgartown, MA 02539

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



3. Sample client listing

Below is a sampling of local Massachusetts governments and other governmental entities for which we have provided audit services (similar to this RFP) in the past five years. A list of governmental entities we have audited nationally is available upon request.

Municipalities		
<ul style="list-style-type: none"> • City of Brockton • City of Framingham • City of Newton • City of Waltham • City of Worcester • Town of Bedford • Town of Berlin • Town of Blackstone • Town of Bourne 	<ul style="list-style-type: none"> • Town of Chelmsford • Town of Carlisle • Town of Dennis • Town of Eastham • Town of Edgartown • Town of Essex • Town of Hingham • Town of Hamilton • Town of Mashpee 	<ul style="list-style-type: none"> • Town of Nahant • Town of Natick • Town of Norfolk • Town of Provincetown • Town of Stoneham • Town of Swansea • Town of Swampscott • Town of Winchester
Other Massachusetts Governmental Entities		
<ul style="list-style-type: none"> • Commonwealth of Massachusetts • Massachusetts Clean Water Trust • Massachusetts Clean Energy Center • Massachusetts Water Resource Authority (MWRA) • Boston Public Health Commission • Massachusetts Convention Center Authority • Boston Housing Authority • Cambridge Housing Authority 	<ul style="list-style-type: none"> • Brockton Area Transit Authority • Fall River Redevelopment Authority • Worcester Redevelopment Authority • DCU Center • MassHousing Trusts • MassHousing Single Audit • MassHousing Retirement System • MWRA Retirement System and OPEB Trust • Worcester Regional Retirement System 	<ul style="list-style-type: none"> • Dukes County OPEB Trust • Martha’s Vineyard Regional High School • Up-Island Regional School District • Whitman-Hanson Regional School District • Worcester Retirement System • Massachusetts General Court • Boston Public Library • Cape Light Compact • Old Colony Planning Council



4. Service team

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

Your team will work directly with our team, with the full support of an entire CLA family behind it. Meet your service team leaders below and read their full bios in the [Appendix](#).

Engagement Team Member	Role	Years' Experience
Jennifer Cook, CPA, MBA	Engagement signing director – Jennifer will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. Jennifer is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.	18+
Chris Rogers, CPA	Quality assurance principal – Chris will complete the quality review of all work performed and of all audit reports prior to issuance. The focus of this review is to confirm adherence to industry and firm quality control guidelines and to make sure the work performed supports the audit opinions issued.	29+
Sara Salvi, CPA, MSA	Engagement manager – Sara will act as the lead manager on the engagement. In this role, Sara will assist the engagement principal with planning the engagement and performing complex audit areas. She will perform a technical review of all work performed and is responsible for the review of the annual comprehensive financial report and all related reports.	11+
Shannon Crocker	Senior – Shannon will be responsible for the day-to-day activities for this engagement, including the supervision of all staff assigned.	3+



<p>Jim Krieser, CISA, CRMA, CFSA</p>	<p>Information systems – Jim will serve as the Information Technology (IT) and General Control systems resource to the Town’s engagement. He will perform a review of Information Systems (IS) controls to conclude whether they are properly designed and operating effectively. For IS-related controls that we deem to be ineffectively designed or not operating as intended, he will communicate our findings and will provide recommendations to improve internal controls.</p>	<p>26+</p>
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Additional staff – We will assign additional staff to your engagement based on your needs and their experience providing services to similar clients. The staff assigned to your team will be from our 093 Massachusetts offices with state and local government as their industry focus at CLA.

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



5. Peer review report

In the most recent peer review report, dated November 2022, we received a rating of pass, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. The full report is provided below. ***This quality control review included a review of specific government engagements.***



Report on the Firm's System of Quality Control

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

We have reviewed the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP (the "Firm") applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards, may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1[®] and SOC 2[®] engagements).

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. CliftonLarsonAllen LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Cherry Bekaert LLP
Charlotte, North Carolina
November 18, 2022

cbh.com



6. Sample management letter comments

Below is a sample of comments written for our clients. We are unable to provide actual letters as they all include client specific information:

Accounts Receivable Reconciliations

Comment

Through the date of this report, improvements were made regarding the timely reconciliation of non-utility accounts receivable balances between the Collector's detailed balances and the general ledger.

However, procedures are not in place to reconcile the Collector's detailed water and sewer accounts receivable balances to the general ledger timely. Effective internal controls require the timely reconciliation of detailed accounts receivable balances to the general ledger. Failure to perform these tasks timely inhibits the safeguarding of assets and does not provide for accurate and timely financial reporting.

Recommendation

We recommend that the City reconcile the Collector's detailed water and sewer accounts receivable balances to the general ledger no later than 30 days after the end of the previous month. We also recommend that the Treasurer/Collector and Comptroller approve (e.g., sign off) each accounts receivable reconciliation.

Bank Account Reconciliations

Comment

As reported in the prior year, we identified several instances where reconciling items identified on individual bank account reconciliations were not investigated and/or resolved timely. Proper internal controls require the timely and appropriate resolution of reconciling items.

Recommendation

We recommend that all reconciling items identified on individual bank account reconciliations be investigated and resolved by the subsequent month's bank account reconciliation.

Capital Asset Accounting

Comment

The Town maintains its capital asset activity and balances using spreadsheet software (Microsoft Excel). While Excel is an automated software program, it is not the most effective and efficient program for capital asset accounting. A relational database program is more effective and efficient to manage and account for capital asset inventory. The benefits of a relational database are as follows:

- Databases are designed to link tables of related data together, such as asset classes, additions, disposals, functions, departments, etc. Storing related data together in a single table or spreadsheet can be unwieldy and invite error.
- Databases are safer. Excel, for example, does everything in memory, so unsaved data may be lost if the Town's computer system crashes. Databases write data to the hard drive immediately.
- Databases can handle more data

Because the Town must add data and formulas each year to capture asset additions, disposals and depreciation, the complexity of the spreadsheets increases annually and is very susceptible to human error. The current process is inefficient and limits reporting capabilities.

Recommendation

We recommend the Town use relational database software to maintain and account for its capital asset inventory.



7. Assistance from client

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

To assist in this process, we will provide a detailed Prepared by Client list early in the engagement through our Assurance Information Exchange (AIE) secure portal. We will ask that your accounting staff provide us with standard schedules, as well as additional requested supporting items. We anticipate that your accounting personnel will need to locate and submit to us certain invoices, vouchers, cancelled checks, and other documents and records.

A sample checklist export from AIE is provided below:

Issue Type	Issue key	Status	Summary	Due Date
Audit	AIE-1976266	Client	Component Unit Financial Information	6/30/2024
Audit	AIE-1976259	Client	Collective Bargaining Agreements/Contracts	6/30/2024
Audit	AIE-1976323	Client	Copies of agreements with businesses involving abatements /tax incentives	6/30/2024
Audit	AIE-1976285	Client	PY Audit Findings Follow Up	6/30/2024
Audit	AIE-1976240	Client	New Fund Listing provide fund name and fund type	6/30/2024
Audit	AIE-1976262	Client	Trial Balance Report (All Funds) for FY Under Audit	6/30/2024
Audit	AIE-1976267	Client	GL Detail - Account detail history of all funds for the fiscal year under audit	6/30/2024
Audit	AIE-1976321	Client	YTD Budget Report for FY Under Audit	6/30/2024
Audit	AIE-1976325	Client	Listing of all payroll warrants processed during the fiscal year under audit.	6/30/2024
Audit	AIE-2293634	Client	Listing of all vendor warrants processed during the fiscal year under audit.	6/30/2024
Audit	AIE-2275987	Client	Vendor Check Register for the FY under audit	6/30/2024
Audit	AIE-2133022	Client	Listing of all transfers made between funds in FY Under Audit, along with a description of the purpose of each transfer	6/30/2024
Audit	AIE-1976294	Client	Full Tax Rate Recap for the fiscal year under audit	6/30/2024
Audit	AIE-1976279	Client	Full Tax Rate Recap for the subsequent year if available	6/30/2024
Audit	AIE-2132746	Client	SEFA for FY Under Audit	6/30/2024
Audit	AIE-1976310	Client	Water and Sewer commitments for FY under audit and subsequent FY to date	6/30/2024
Audit	AIE-2132741	Client	Water and sewer billing detail reports for fiscal year under audit	6/30/2024
Audit	AIE-1976296	Client	Identification and support for the water and sewer rate(s) for the fiscal year under audit	6/30/2024
Audit	AIE-1976249	Client	Treasurer - Bank Statements	6/30/2024
Audit	AIE-1976282	Client	Treasurer - Bank Reconciliations	6/30/2024
Audit	AIE-1976291	Client	Treasurer - List of "Authorized and Unissued Debt" as of June 30	6/30/2024
Audit	AIE-1976289	Client	Treasurer - Reconciliations (and the related support) of all accounts receivable balances to the general ledger at June 30th	6/30/2024
Audit	AIE-1976311	Client	Treasurer - Official Statements and Financing Summaries for all debt issued during FY and subsequently through the date of our fieldwork	6/30/2024
Audit	AIE-1976307	Client	Treasurer - Listing of any debt issued subsequent to June 30	6/30/2024
Audit	AIE-1976324	Client	Copies of all outstanding intergovernmental reimbursement requests at June 30.	6/30/2024
Audit	AIE-1976255	Client	Schedule of all vendor warrants processed in June and July of Current Fiscal Year. In addition, please identify the applicable warrants that are reported as warrants payable at June 30th.	6/30/2024
Audit	AIE-1976309	Client	Schedule of all payroll warrants processed in June and July of Current Fiscal Year. In addition, please identify the applicable warrants that are reported as accrued payroll at June 30th.	6/30/2024
Audit	AIE-1976275	Client	Copy of the OPEB actuarial report as required by GASB Statement #75	6/30/2024
Audit	AIE-1976306	Client	If full valuation, census data file provided to the actuary to prepare the GASB 75 OPEB report.	6/30/2024
Audit	AIE-1976276	Client	Copy of the Pension actuarial report as required by GASB Statement #68	6/30/2024
Audit	AIE-1976278	Client	If full valuation, census data file provided to the actuary to prepare the GASB 68 pension report.	6/30/2024
Audit	AIE-1976274	Client	Capital Assets: Rollforward schedule identifying beginning balance, additions, retirements and ending balance of all asset types and the related accumulated depreciation	6/30/2024
Audit	AIE-1976308	Client	Detailed listing (and calculation) of the accumulated sick and vacation liability. This listing and calculation must include names, departments, pay rates and sick (including "buy back") and vacation balances accrued through June 30th	6/30/2024
Audit	AIE-1976239	Client	GASB 87 Rollforward	6/30/2024
Audit	AIE-1976240	Client	GASB 96 Rollforward	6/30/2024
Audit	AIE-1976301	Client	Revenue report supporting 60-day receipts accrual at June 30	6/30/2024
Audit	AIE-1976280	Client	A detailed listing of General Fund encumbrances and continuing appropriations at June 30 (by department)	6/30/2024
Audit	AIE-1976320	Client	Identification and support of restrictions, commitments and assignments of fund balance and net position (restrictions only)	6/30/2024
Audit	AIE-1976319	Client	Given the listing of funds that are in a deficit fund balance position as of June 30th, please indicate the reason for the deficit and any supporting d	6/30/2024
Audit	AIE-1976276	Client	MD&A - Economic Factors and Next Year's Budget	6/30/2024
Audit	AIE-655634	Client	Listing of any large "non-recurring" transactions	6/30/2024
Audit	AIE-1976281	Client	Subsequent GL Detail - Please run the ADHR from 7/1 through the first day of fieldwork.	6/30/2024



Professional Experience

1. Philosophy and approach to auditing services

Easing the transition

We recognize that a move to a new firm presents an opportunity as well as a challenge. Over our 60-year history, we have transitioned many clients and have a collegial and professional relationship with many firms. Our seamless transition helps reduce your team's time, and we don't charge for it. We consider it an investment in our relationship.

The CLA Seamless Assurance Advantage (SAA)

The CLA Seamless Assurance Advantage (SAA) is an innovative approach to auditing that utilizes leading technologies, analytics, and audit methods to help solve client problems and create a seamless experience.



A different approach

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



Insights through analytics

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

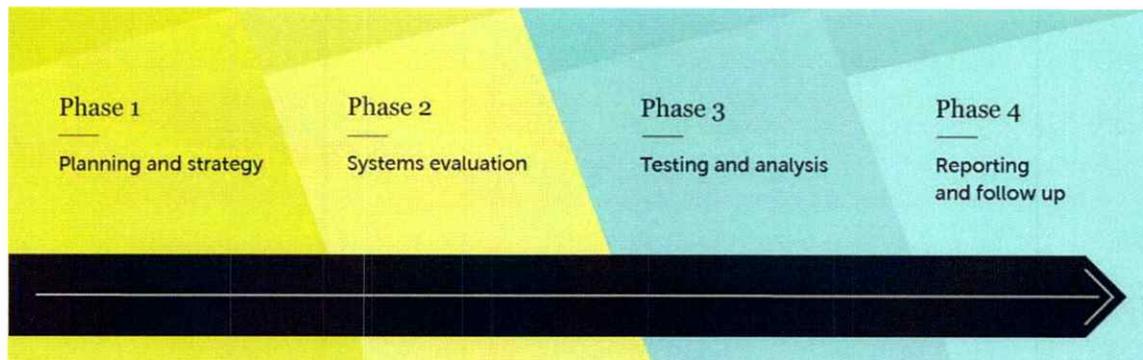


Effective technology

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



Financial statement audit approach



Phase 1: Planning and strategy

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

- Conduct an entrance meeting. Jennifer Cook and staff will meet with the Town personnel to agree on an outline of responsibilities and time frames
 - Establish audit approach and timing schedule
 - Determine assistance to be provided by the Town personnel
 - Discuss application of generally accepted accounting principles
 - Address initial audit concerns
 - Establish report parameters and timetables
 - Progress reporting process
 - Establish principal contacts
- Gain an understanding of your operations, including any changes in organization, management style, and internal and external factors influencing the operating environment
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment
- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using TeamMate Analytics and Expert Analyzer (TeamMate), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the Town, and establish deadlines

We will document our planning through:

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

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

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

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

Phase 2: Systems evaluation

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

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

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

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

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

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

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



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

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

Phase 3: Testing and analysis

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

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

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

Phase 4: Reporting and follow up

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

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



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

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

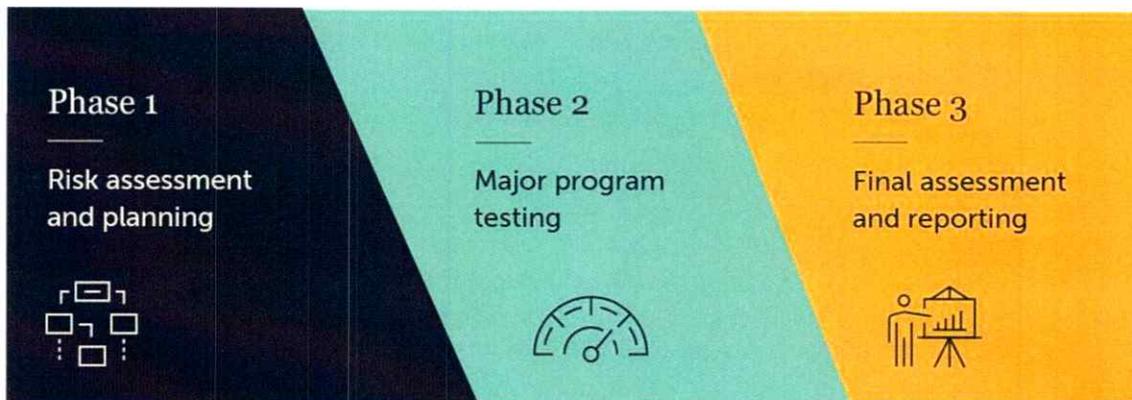
We will make a formal presentation of the audit results to those charged with governance, if requested.

Single audit approach

The OMB's *Uniform Guidance* (2 CFR Part 200) is effective for federal grants made on or after December 26, 2014. This affects how federal grants are managed and audited and impacts every organization that receives federal assistance. Grant compliance can be a confusing topic and many of our clients rely on their federal funding as a major revenue source, so it is important that they understand what these changes mean to their organization. As a leader in the industry, CLA was out in front of these changes and informed our clients of how to be proactive about these changes and how they could impact their entity. CLA professionals are available to provide guidance and tools tailored to the Town's needs, and to assist in compliance with these rules.

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

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



Phase 1: Risk assessment and planning

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

We will accomplish this by following the methodology below:

- Determine the threshold to distinguish between Type A and B programs, including the effect of any loans and loan programs
- Utilizing the preliminary Schedule of Expenditure of Federal Awards, we will identify the Type A and significant Type B programs (25% of Type A threshold) in accordance with the *Uniform Guidance*

- Identify the programs tested and the findings reported for the past two fiscal years. Determine and document the program risk based on the past two single audits
- Prepare and distribute Type B program questionnaires to determine risk associated with Type B programs
- Determine the major programs to be tested for the current fiscal year based on the previous steps
- Based on our determination of the major programs, we will obtain the current year compliance supplement to aid in the determination of direct and material compliance requirements, and customize the audit program accordingly
- Determine the preferred methods of communication during the audit

Phase 2: Major program testing

We will determine the programs to be audited based on the risk assessment performed in the planning phase. We will perform the audit of the programs in accordance with UG.

To accomplish this, we will perform the following:

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

Phase 3: Final assessment and reporting

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

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

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

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



Communication process

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

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

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

- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments and passed adjustments, if any
- Disagreements with management, if any
- Management consultation with other accountants, if any
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

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

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



Data analytics

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

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

The phases in our data analytics process are as follows:

1. Planning

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

2. Expectations

We consider the risks facing our client and design analytics to address these risks. Through preliminary discussions with management and governance, we develop and document expectations of financial transactions and results for the year. These expectations will assist in identifying anomalies and significant audit areas in order to assess risk.

3. Data acquisition

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

4. Technical data analysis

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



5. Interpret results and subsequent risk assessment

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

6. Response and document

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

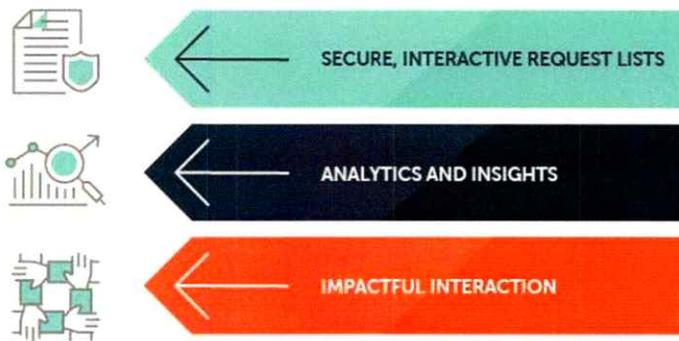
- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100% data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unlimited data access allows us to access and analyze data from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

The below figure illustrates typical data analytics scenarios.



2. Use of technology in the audit

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



Assurance Information Exchange (AIE) — CLA offers a secure web-based application to request and obtain documents necessary to complete client engagements. This application allows clients to view detailed information, including due dates for items that CLA requests. Additionally, the application allows clients to attach electronic files and add commentary related to the document requests directly on the application. AIE is provided at no additional cost, subject to the terms of the Assurance Information Exchange Portal Agreement.

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

Microsoft® Teams — Our services approach focuses on impactful interactions. We've said goodbye to the days of setting up camp in our clients' conference rooms for weeks on end. We know our clients have organizations to run, so our interactions have purpose. To assist with communications when we are not onsite, we utilize tools such as Microsoft Teams, which allow for two-way screen sharing and video. We've found this helps minimize disruptions in our clients' environments while continuing to effectively communicate with each other.

3. Work plan, segments, and tasks

We are committed to accomplishing the engagement within the specified time frames. The following is our proposed schedule for the engagement.

Phase and Tasks to be Performed	Timeframe	Key Supervisory Personnel Assigned
<p>Pre-engagement planning upon award</p> <ul style="list-style-type: none"> • Schedule entrance conference with the Town • Identify applicable state and federal regulations • Organize and initiate audit staff and services • Review prior auditor workpapers • Prepare list of documents, schedules, etc. for the Town to provide 	<p>Upon Award</p>	<ul style="list-style-type: none"> • Jennifer Cook, Signing Director • Sara Salvi, Manager • Shannon Crocker, Senior • Associates as necessary
<p>1 and 2 - Interim and preliminary fieldwork, including systems evaluation</p> <ul style="list-style-type: none"> • Perform IT system reviews and testing • Conduct interviews with key personnel throughout the Town • Request confirmations • Determine the areas required to be tested on-site, including test of controls and compliance testing and begin testwork at the Town • Preliminary analytical reviews • Assess existing practices, procedures, and systems • Review results of preliminary work and modify audit programs as needed • Review actuarial reports on employer valuation for issuance of GASB 68 and GASB 75 reports • Single Audit major program determination and initial testing 	<p>May - July</p>	<ul style="list-style-type: none"> • Jennifer Cook, Signing Director • Chris Rogers, Principal • Jim Kreiser, IT principal • Sara Salvi, Manager • Shannon Crocker, Senior • Associates will be involved to perform testwork



<p>3 - Year-end substantive fieldwork</p> <ul style="list-style-type: none"> • Perform substantive testing over key audit areas of the Town • Complete remaining IT fieldwork at the Town • Perform final analytical reviews • Review workpapers, including concurring principal review • Single audit testing 	<p>Sept - Dec</p>	<ul style="list-style-type: none"> • Jennifer Cook, Signing Director • Chris Rogers, Principal • Jim Kreiser, IT principal • Sara Salvi, Manager • Seniors and associates will be involved to perform testwork
<p>4 - Reporting - Financial statements</p> <ul style="list-style-type: none"> • Review the draft of the Town's financial statements • Prepare draft auditors' reports on financial statements and internal control and submit the Town management for review • Prepare draft of management letter • Meet with the Town management to review and discuss drafts • Finalize and issue management letter and required communications to those charged with governance 	<p>Jan - Mar</p>	<ul style="list-style-type: none"> • Jennifer Cook, Signing Director • Chris Rogers, Principal • Jim Kreiser, IT principal • Sara Salvi, Manager • Shannon Crocker, Senior
<p>Reporting - Single audit</p> <ul style="list-style-type: none"> • Prepare draft auditors' reports on internal control and compliance required by the <i>Uniform Guidance</i> • Meet with the Town management to review and discuss drafts • Finalize and issue reports required by the <i>Uniform Guidance</i> 	<p>Jan - Mar</p>	



Financial Statement Audit

Engagement Segment	Principal/Director	Manager	Senior	Staff	Total Hours
Planning	5	5	10	10	30
Internal Control and Documentation	5	10	15	30	60
Testing and Review	10	40	82	100	232
Reporting and Meetings	20	20	15	10	65
Sub-Total	40	75	122	150	387

Single Audit/Federal Grants Audit*

Engagement Segment	Principal/Director	Manager	Senior	Staff	Total Hours
Risk Assessment/Planning	-	5	5	-	10
Major Program Testing	3	10	10	40	63
Reporting and Meetings	5	5	5	-	15
Sub-Total	8	20	20	40	88
GRAND TOTAL HOURS	48	95	142	190	475

* Based on the assumption of auditing two (2) major grant programs, consistent with the Town's FY 22 audit



Appendix

A. Your service team





Jennifer Cook, CPA, MBA

CLA (CliftonLarsonAllen LLP)

Signing Director
Boston, Massachusetts

617-984-8187
jennifer.cook@CLAconnect.com



Profile

Jennifer has more than 18 years of auditing experience. She has specialized in governmental auditing and accounting with an emphasis on Massachusetts local governments. She manages, plans, and performs her engagements with an astute knowledge of the governmental accounting and auditing standards. Jennifer also has extensive experience with the standards required by the federal single audit.

Technical experience

- Governmental GAAP (GASB)
- U.S. General Accepted Auditing Standards (GAAS)
- Government Auditing Standards
- Uniform Guidance
- Financial Reporting

Education and professional involvement

- Bachelor of science in accounting from Bryant University, Smithfield, Rhode Island
- Certified Public Accountant
- American Institute of Certified Public Accountants (AICPA)
- Massachusetts Society of Certified Public Accountants (MSCPA)
- Government Finance Officers Association (GFOA)

Key relevant clients

- City of Waltham, Massachusetts
- City of Brockton, Massachusetts
- Town of Natick, Massachusetts
- Commonwealth of Massachusetts
- Massachusetts Water Resources Authority
- Boston Public Health Commission
- Cambridge Housing Authority
- Boston Housing Authority
- Brockton Area Transit Authority





Christian (Chris) J. Rogers, CPA

CLA (CliftonLarsonAllen LLP)

Managing Principal, State and Local Government
Quincy, Massachusetts

781-402-6314
chris.rogers@CLAconnect.com



Profile

Chris has more than 29 years of experience providing auditing, financial reporting, and consulting services to states, state agencies, local governments, public pension plans, and special purpose districts. He has served as the principal-in-charge on hundreds of government audit engagements. For 11 years Chris served as the co-founder of Sullivan, Rogers & Company LLC, (a Massachusetts based entity), whose sole focus was providing exemplary services to governmental units throughout the Commonwealth of Massachusetts. During this time, his partners and staff provided assurance and consulting services to more than 80 government entities and earned a trustworthy reputation as a premier governmental assurance and consulting firm. Chris is the co-author of the Massachusetts Department of Revenue's (Division of Local Services, Bureau of Accounts) publication titled, *A Practical Guide for Implementation of Governmental Accounting Standards Board statement 34 for Massachusetts Local Governments*.

Technical experience

- Governmental GAAP
- *Government Auditing Standards*
- Financial reporting
- U.S. Generally Accepted Auditing Standards (GAAS)
- Uniform Guidance

Education and professional involvement

- Bachelor of science in accounting from Quinnipiac University, Hamden, Connecticut
- Certified Public Accountant (Massachusetts, Oregon, and Vermont)
- American Institute of Certified Public Accountants (AICPA)
- Massachusetts Society of Certified Public Accountants (MSCPA)
- MSCPA Governmental Accounting and Auditing Committee
- Association of Government Accountants
- Government Finance Officers Association (GFOA)
- Public Pension Financial Forum (P2F2), *Associate member*
- GFOA Special Review Committee for the Certificate of Achievement for Excellence in Finance Reporting Program, *Past Member*
- AICPA State & Local Government Expert Panel, *Past Member*



Key relevant clients

- Commonwealth of Massachusetts
- Massachusetts Convention Center Authority
- Massachusetts Water Resource Authority
- Massachusetts Housing Finance Agency
- State of Vermont
- City of Brockton
- City of Newton
- City of Waltham
- City of Worcester



Sara Salvi, CPA, MSA

CLA (CliftonLarsonAllen LLP)



Director
Lexington, Massachusetts

781-402-6309
sara.salvi@CLAconnect.com

Profile

Sara has more than 11 years of auditing experience. She specializes in governmental auditing and accounting with an emphasis on state and local governments. She manages, plans, and performs her engagements with an astute knowledge of the governmental accounting and auditing standards. Sara also has extensive experience with the standards required by the federal single audit.

Technical experience

- Governmental GAAP (GASB)
- U.S. General Accepted Auditing Standards (GAAS)
- *Government Auditing Standards*
- Uniform Guidance
- Financial Reporting

Education and professional involvement

- Master of science in accounting from the University of Massachusetts, Lowell
- Certified Public Accountant in the states of Massachusetts and New Hampshire
- American Institute of Certified Public Accountants
- Massachusetts Society of Certified Public Accountants
- New Hampshire Society of Certified Public Accountants

Key relevant experience

- City of Chelsea
- Town of Bourne
- Town of Eastham
- Town of Stoneham
- Town of Bedford
- Town of Dennis
- Town of Essex
- Town of Winchester





Shannon Crocker

CLA (CliftonLarsonAllen LLP)



Senior
Quincy, Massachusetts

781-402-6331
shannon.crocker@CLAconnect.com

Profile

Shannon is a highly motivated senior with a strong focus in state and local government assurance engagements. She delivers high quality work products using efficient and effective communication styles, problem-solving leadership, and detail-oriented planning abilities. Shannon continues to develop and apply ever growing knowledge of different accounting principles and auditing standards throughout every engagement. She strives to ensure all engagements are progressing timely and being accurately carried out by working directly with experienced staff, as well as engagement management. Also, she provides training and development to newer staff to ensure they have the tools and resources to succeed in any audit area.

Technical experience

- State and local government
 - Currently in-charges the overall audit process including the planning, performing, and preparation of numerous financial statement audits, single audits, and agreed upon procedures for various Towns, Cities, School Systems, and Retirement Systems
 - Prior experience with performing various Housing Authority assurance engagements, as well as State audit engagements

Education and professional involvement

- Master of Business Administration from the Charlton College of Business at the University of Massachusetts – Dartmouth
- Bachelor of Science in Accounting with a Minor in Economics from the Charlton College of Business at the University of Massachusetts – Dartmouth

Key relevant clients

- City of Waltham, Massachusetts
- City of Brockton, Massachusetts
- Town of Natick, Massachusetts
- Town of Mashpee, Massachusetts
- Massachusetts Water Resources Authority
- Boston Public Health Commission





Jim Kreiser, CISA, CRMA, CFSA

CLA (CliftonLarsonAllen LLP)



Principal, Business Risk and IT Services
King of Prussia, Pennsylvania

717-857-2613
james.kreiser@CLAconnect.com

Profile

Jim is a Principal in the CLA Value & Risk Services group. He has 26 years of professional services experience in providing consulting and advisory services. Jim spent 10 years of his experience working at a Big 4 firm in their business risk and technical risk services groups. His experience also includes internal audit roles at CitiBank, AMP, and Capital BlueCross. Jim has held roles of chief risk officer, general auditor, and others. His focus has primarily been in the governmental sector and healthcare industries. At CLA, Jim has focused on clients particularly with process and risk consulting, IT services, performance audit, internal audit, risk assessment, SOC reporting, and third-party reporting services.

Technical experience

Jim's experience includes managing and leading projects, which include engagements related to outsourced and co-sourced internal auditing, IT audit, third-party reviews and performance audits, enterprise risk management processes, IT security and auditing services, SSAE 21 reporting (SOC 1 and SOC2), operational improvements, process solutions and implementation for those solutions across the organization. His primary focus for the firm is as the current national IT services leader for state and local governments. His service experience is business risk, IT, and internal audit services. Specific experience includes the following:

- Internal audit outsourcing and co-sourcing, including information technology, financial, performance audits, and operational audits
- IT security and risk consulting
- Enterprise-wide risk assessments
- IIA quality assurance reviews (QAR)
- Vendor management and implementation assessment
- Compliance related activities and benchmarking
- Presentations and training; including speaking at various conferences/professional organizations on IT controls, security, ERM, and third-party reporting, and risk management

Education and professional involvement

- Bachelor of science in managerial economics and philosophy, Carnegie Mellon University, Pittsburgh, Pennsylvania
- Certified Information Systems Auditor (CISA)
- Certified in Risk Management Assurance (CRMA)
- Certified Financial Services Auditor (CFSA)

CLAconnect.com

CPAS | CONSULTANTS | WEALTH ADVISORS

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



B. Diversity, equity, and inclusion



Diversity, equity, and inclusion (DEI) helps us create opportunities

CLA is dedicated to building a culture that invites different beliefs and perspectives to the table, so we can truly know and help our clients, our communities, and each other.

Our goal is to approach DEI the way we approach our daily work — to weave our initiatives seamlessly into everything we do.

Our desired outcome

To be representative of the communities we serve now and in the future by providing an inclusive, respectful CLA culture, where everyone has opportunity. This outcome will be visible in many ways, including:

- We actively learn, listen, and reflect on DEI issues
- We hear the voices of our underrepresented CLA family members
- We see that CLA is a safe place for all
- We implement DEI strategies throughout our CLA family



Our five DEI focus areas

The plan focuses our activity in five areas:

- **Employee engagement** — We foster a true sense of inclusion and belonging for our CLA family members with opportunities such as learning events, virtual belonging communities, and coaching connections.
- **Operations** — We operate with a lens of inclusion, from our event planning to our policies and our supplier diversity program.
- **Leadership** — We commit to lead by example, building mentorship and sponsorship opportunities, so that our pipelines can be filled with diverse candidates.
- **Recruiting** — Whether on college campuses or hiring experienced professionals, we're building intentionality into our talent acquisition plans.
- **Community and client impact** — We create opportunities for our CLA family to give time and financial support to DEI initiatives, whether through volunteer paid time off, nominations to our CLA Foundation, or cultivating new client and prospect relationships that reflect the communities we serve.

Our DEI journey

We've been on our DEI journey since 2014, and in 2022, we invested in an outside assessment of our DEI activity, added nine full-time DEI roles, framed a mentorship and sponsorship program, and hosted our first belonging and inclusion summit. We also expanded our relationship with the National Association of Black Accountants, which included a [\\$1 million dollar grant](#) to seed the Pathways to College program. Through our work with NABA, CLA seeks to accelerate its recruiting of Black individuals, increase workforce diversity, expand its pool of talent, and improve the representation of Black individuals within the accounting profession.



Our DEI activity continues to be informed by the ongoing national conversation on race, which contributed to our [2020 collaborative public statement](#) that reflects our beliefs. Today, every leader and every location is responsible to engage, implement, and maintain a proactive DEI plan.

Engaging the whole CLA family

Our DEI work engages the entire CLA family, from interns to our leader, Jen Leary, who [signed the CEO Action Pledge](#), the largest CEO-driven business commitment to advance diversity and inclusion within the workplace.

Our full-time DEI team, working directly with firm leaders, guides our efforts, drawing on more than 300+ local DEI ambassador voices spread across our nearly 130 locations.

We are proud to offer nine virtual belonging communities where our CLA family members can connect and engage with each other. Today, we have more than 2,000 participants (and growing) across these communities.

Community impact

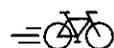
CLA's [community engagement](#) approach is designed to unify the work and missions of DEI and the CLA Foundation — with joint intention focused on advancing education, employment, and entrepreneurship. This approach allows us to live the CLA Promise in a new and bold way as we work with community leaders to draw upon the wisdom, strength, and initiatives already present in our communities.

CLA Foundation

The CLA Foundation joined the CLA family in committing to making “DEI part of our DNA.” To better understand the communities connected through our grants, we worked with past grant recipients to update our application to learn more about demographics, including whom they serve as well as the makeup of the organization’s staff and board. Our grant committee is focused on how grantees represent our core mission of creating career opportunities in the areas of education, employment, and entrepreneurship through connection to diverse networks that are inclusive of all genders, races, veterans, and the disability community. In 2022, the CLA Foundation granted \$1.9 million to connect diverse networks across the country.

Supplier diversity program

We encourage all potential suppliers who can competitively meet the diversity requirements to contact us about qualifying for our new supplier diversity program. To learn more about CLA’s commitment to promote a diverse supplier base, [visit our supplier diversity program page](#).



C. Required Forms



CERTIFICATION FORM

IN WITNESS WHEREOF, the undersigned certifies, under pains and penalties of perjury that:

- It is in compliance with all of the provisions, and shall remain in compliance with the provisions for the life of any contract from this solicitation. That the bidder is qualified to perform any such contract possesses, or shall obtain, all requisite licenses and permits to complete performance; shall maintain all Unemployment, Commercial Liability, General Liability, Workers' Compensation, Professional Liability, Auto Liability, and Cybersecurity Liability insurance policies sufficient to cover its performance under any such contract; and shall comply with relevant prevailing wage rates and employment laws.
- The undersigned certifies that said contractor has paid all local taxes, tax titles, utilities, motor vehicle excise taxes, water, and wastewater bills to the Town of North Attleborough as required by law.
- Pursuant to Chapter 62C of the Massachusetts General Laws, Section 49A(b), said contractor has complied with all laws of the Commonwealth of Massachusetts relating to taxes, reporting of employees and contractors, and withholding and remitting child support.
- This proposal is in all respects bona fide, fair and made without collusion or fraud with any other person. As used in this subsection the word "person" shall mean any natural person, joint venture, partnership, corporation or other business or legal entity.



Signature of Person Signing Bid or Proposal

*

BY: Corporate Officer (Type/Print)

CliftonLarsonAllen LLP

Corporate Name (Full Business Name)

*

BY: Corporate Officer (Sign)

41-0746749

Social Security or Federal ID#

*

State of Incorporation/City or Business
(DBA) Registration

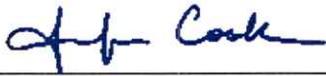
*CLA is an LLP, not a corporation. Our partnership was certified in the state of Minnesota.





CERTIFICATE OF TAX COMPLIANCE

Pursuant to Chapter 62C of the Massachusetts General Laws, Section 49A(b), I, the undersigned, authorized signatory for the below named contractor/vendor, do hereby certify under the pains and penalties of perjury that said contractor has complied with all laws of the Commonwealth of Massachusetts relating to taxes, reporting of employees and contractors, and withholding and remitting child support.



Signature

2-5-24

Date

Jennifer Cook

Name (Print Name)

Signing Director

Title

CliftonLarsonAllen LLP

Contractor / Vendor



NON-COLLUSION STATEMENT

The undersigned further certifies under the pains and penalties of perjury that this proposal was made and submitted in good faith without collusion or fraud with any other person. As used in this certification "person" shall mean any natural person, business, joint venture, partnership, corporation, union, committee, club or other organization, entity, or group of individuals.

Jennifer Cook
Signature

Date: 2-5-24

Name: Jennifer Cook
(Print Name)

Title: Signing Director

Contractor/Vendor: CliftonLarsonAllen LLP

Social Security or Federal Tax ID Number: _____

Address: Two International Place, 22 Floor
Boston, MA 2110

Telephone: 617-984-8187

D. Exceptions



Modifications/exceptions to the general terms and conditions

We have reviewed the RFP, with our internal legal, insurance, and assurance service teams and have summarized our proposed revisions below. These revisions specifically tailor the contract to better align with the scope of work and remove generic language not applicable to the related services.

We believe the Town will find these modifications reasonable and appropriate. However, we are willing to discuss these proposed revisions in an effort to achieve a mutually agreed-upon contract. The pages referenced below pertain to pages of the RFP.

CERTIFICATIONS – Part D. (page 4)

- All Liability policies (Commercial General Liability, Auto Liability, and Umbrella Liability policies) shall be primary and non-contributory for Named and Additional Insureds. The additional insured endorsement will include completed operations coverage with no limitations or restrictions. Except for the worker's compensation policy, the Town of North Attleborough shall be named an additional insured on all policies required hereunder.
 - Although not specified in the parenthetical, Professional Liability and Cyber insurers will not endorse clients as additional insureds.

Indemnification (page 4-5)

- As currently worded, indemnity extends beyond the scope of what would be captured under the insurance policy. CLA's policy will only provide indemnification subject to the terms, conditions and exclusions that exist within the policy itself.

Exhibit A (page 16-18)

- *Article 6: INDEMNIFICATION:* As currently worded, indemnity extends beyond the scope of what would be captured under the insurance policy. CLA's policy will only provide indemnification subject to the terms, conditions and exclusions that exist within the policy itself.
- *Article 12: INSURANCE:* Professional Liability and Cyber insurers will not endorse The Town (client/third party) as an additional named insured. Insurers will not provide notice of cancellation to The Town.

Limits (page 3)

- Our insurance is on a per location basis.

Automobile liability (page 3)

- CLA does not own any vehicles so this is not included in our coverage.

B (page 4)

- Our agents do not make notifications on change in coverage—just cancellation and non-payment CLA would have to notify the client of any such changes.

D (page 4)

- We cannot list an additional insured on professional and cyber liability either (in addition to WC).

AGREEMENT FOR: CLA (CliftonLarsonAllen LLP)

