

North County Charter Elementary School Annual Audit RFP

4/10/2023

	QUALIFICATION	MAXIMUM POINTS	BKHM	Carr, Riggs & Ingram	King & Walker	McCrary & Assoc.	Nuttall Donini
Expertise and Experience	Past experience on Florida charter school audits	10	declined	declined	no response	10	8
	Experience with CSP Grant, Title II Part A Grant, New Market Tax Credit Financing, Bond Financing	10				10	5
	Quality of firm's professional and support personnel	10				9	8
Audit Approach	Total Cost	10				10	8
	Adequacy of analytical procedures	10				9	9
	Adequacy of firm's staffing plan for various segments of the engagement	10				9	8
Maximum Total Points		60				57	46
Score						95.00%	76.67%
Total Cost						9,000.00	13,125.00
Percentage of Lowest Price						100%	146%
			Lowest Price	9,000.00			

Extended Pricing				
FY23 Cost			9,000.00	13,125.00
FY24 Cost			9,000.00	13,781.25
FY25 Cost			9,000.00	14,470.31

Board Selection and Approval Date _____

Audit RFP posted to school website, 03/16/2023.

The screenshot shows the website for North County Charter Elementary School. At the top left is the school logo and name. At the top right is a navigation menu with 'ABOUT' and a dropdown arrow. Below the header are two main green buttons: 'LATEST NEWS' with an envelope icon and 'ALL EVENTS' with a clock icon. Under 'LATEST NEWS' is a 'SEE ALL NEWS' button and three news items, each with a book icon and a 'READ MORE' button. The first item is 'AUDIT RFP' dated March 16, 2023. The second is 'SPECIAL CALL MEETING' dated February 9, 2023. The third is 'INFORMATIONAL NIGHTS FOR KINDERGARTEN THROUGH 5TH GRADE' dated February 2, 2023. Under 'ALL EVENTS' is a 'SEE ALL EVENTS' button and a calendar view showing events from April to July. The events listed are: April 6 (5:30 pm School Skate Night), April 7 (all-day No School), April 10 (9:30 am Board Meeting), April 21 (all-day Dress Down Day- Wear Blue), May 8 (9:30 am Board Meeting), May 29 (all-day Memorial Day – No School), May 31 (all-day Last Day of School), June 12 (9:30 am Board Meeting), and July 10 (9:30 am Board Meeting).

NORTH COUNTY CHARTER ELEMENTARY SCHOOL

ABOUT ▾

LATEST NEWS

ALL EVENTS

SEE ALL NEWS

AUDIT RFP
March 16, 2023
[READ MORE](#)

SPECIAL CALL MEETING
February 9, 2023
[READ MORE](#)

INFORMATIONAL NIGHTS FOR KINDERGARTEN THROUGH 5TH GRADE
February 2, 2023
[READ MORE](#)

SEE ALL EVENTS

APR 6 Thu 5:30 pm School Skate Night

APR 7 Fri all-day No School

APR 10 Mon 9:30 am Board Meeting

APR 21 Fri all-day Dress Down Day- Wear Blue

MAY 8 Mon 9:30 am Board Meeting

MAY 29 Mon all-day Memorial Day – No School

MAY 31 Wed all-day Last Day of School

JUN 12 Mon 9:30 am Board Meeting

JUL 10 9:30 am Board Meeting

Re: NCCES Audit RFP

Scott Nuttall <snuttall@nuttallcpas.com>

Tue 4/4/2023 4:38 PM

To: Susan Turner <sturner@optimaed.com>

Cc: Teresa LaSota <tlasota@nuttallcpas.com>

Hey, Susan. We would not have enough time to complete the proposal. We did one last year if you can work from that. We have worked with NCCS since its inception. I had told Ken our fees are going to increase though.

Scott A. Nuttall, Managing Partner

Nuttall, Donini & Associates, CPA's

5055 Highway A1A

Vero Beach, FL 32963

772.231.1040

www.nuttallcpas.com

image001.jpg

On Apr 3, 2023, at 1:09 PM, Susan Turner <sturner@optimaed.com> wrote:

Hello-

Just following up to see if you'd like to submit a proposal today.

Thank you!

Susan Turner

Director of Compliance & Governance

OptimaEd

m 570 242 7084

sturner@optimaed.com

From: Susan Turner <sturner@optimaed.com>

Sent: Wednesday, March 29, 2023 10:39 AM

To: Scott Nuttall <snuttall@nuttallcpas.com>

Subject: NCCES Audit RFP

Please see attached.

Thank you!

Susan Turner
Director of Compliance & Governance
[OptimaEd](#)
m 570 242 7084
sturner@optimaed.com

The content of this message is confidential. If you have received it by mistake, please inform us by an email reply and then delete the message. It is forbidden to copy, forward, or in any way reveal the contents of this message to anyone. The integrity and security of this email cannot be guaranteed over the Internet. Therefore, the sender will not be held liable for any damage caused by the message.

June 22, 2022

To the Board of Directors and Management
North County Charter School, Inc.
Vero Beach, Florida

We are pleased to confirm our understanding of the services we are to provide North County Charter School, Inc. for the year ended June 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of North County Charter School, Inc. as of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement North County Charter School, Inc.'s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to North County Charter School, Inc.'s RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management Discussion and Analysis
- Budgetary Comparison Schedule

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, issue and auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise when fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State of Florida Auditor General's Compliance Supplement for Schools, and will include tests of your accounting records of North County Charter School, Inc. and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control, relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of North County Charter School, Inc.'s compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of North County Charter School, Inc. in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. As part of our engagement, we will also prepare the federal information return for the year ended June 30, 2022. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accepting responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations, and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Auditor General's Office and Indian River County School District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Nuttall, Donini & Associates, CPA's and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request in a timely manner to Indian River County School District or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Nuttall, Donini & Associates, CPA's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Indian River County School District. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Scott Nuttall is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in July 2022, and to issue our reports no later than August 31, 2022.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

We estimate our fee for these services will be \$12,500 for the audit and information returns. Our invoices for these fees will be rendered periodically as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes sixty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

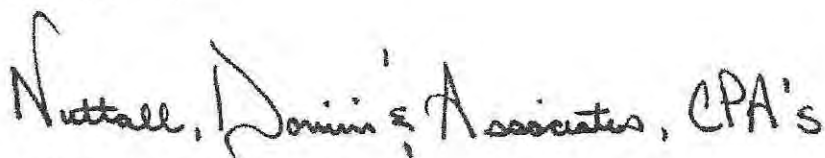
We will issue a written report upon completion of our audit of North County Charter School, Inc.'s financial statements. Our report will be addressed to the Board of Directors of North County Charter School, Inc. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary to withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that North County Charter School, Inc. is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Upon request, we will provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period.

We appreciate the opportunity to be of service to North County Charter School, Inc. and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Nuttall, Donini & Associates, CPA's
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of North County Charter School, Inc.

By:  _____

Title: BUSINESS/FINANCE DIRECTOR

Date: 08-01-2022



McCrary & Associates
CERTIFIED PUBLIC ACCOUNTANTS

TECHNICAL PROPOSAL FOR INDEPENDENT AUDITING

Prepared for

North County Charter Elementary School

Prepared by

**McCrary & Associates
Stacy McCrary, Audit Partner
107 Water Oak Lane
Altamonte Springs, FL 32714
321-527-6906**



McCrary & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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107 Water Oak Lane ■ Altamonte Springs, FL 32714
Office 407-960-4429 ■ smccrady@mccradyandassociates.com ■ www.mccradyandassociates.com



McCRAZY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

March 30, 2023

TRANSMITTAL LETTER

To the Board of Directors,

McCrary & Associates, PLLC (MA or the "Firm") is excited to prepare this technical proposal for audit and tax services for North County Charter Elementary School (the "School"). Although the firm provides many audit and tax services, McCrary & Associates was specifically established to focus on providing quality audit services primarily to Florida charter schools and other not-for-profit organizations. The School would have at its disposal the resources of individuals and collectively, a firm that has dedicated its mission to assisting charter schools with their reporting and compliance requirements.

If selected as your auditor for the school, we will issue financial statements including compliance testing in conformity with *generally accepted accounting principles* and *government auditing standards* as of and for the period ended June 30, 2023 and thereafter subject to an annual renewal of the engagement letter through June 30, 2026.

We recognize there are other quality CPA firms providing professional services to the charter school industry. We feel McCrary & Associates is the best qualified firm to perform your engagement based on the time and the dedication Stacy and her team have committed to the charter school industry. Stacy has been involved in the charter school movement since inception in the late 1990's and have dedicated countless hours to assisting the success and growth of charter schools.

McCrary & Associates is pleased to provide this proposal to North County Charter Elementary School. Please note that the audit will be performed by an audit team with extensive charter school experience. Therefore, the quality of the audit services will be consistent at the highest level possible.

We appreciate the opportunity to provide you this technical proposal and would be honored to be chosen as your independent audit firm. We welcome any questions regarding this proposal.

Very Truly Yours,

Stacy Z McCrary, CPA

107 Water Oak Lane ■ Altamonte Springs, FL 32714

Office 407-960-4429 ■ smccrary@mccradyandassociates.com ■ www.mccradyandassociates.com

Independence

McCrary and Associates, PLLC is independent of the School as defined by the U.S. General Accounting Office's *Government Auditing Standards*. Each member of the Firm is in good standing with the American Institute of Certified Public Accountants (AICPA) and meets the auditor independence requirements with respect to the School. The Firm understands and has knowledge of the independence standards as defined by the U.S. General Accounting Office's *Government Auditing Standards*. Each member of the team is required to sign an independence statements annually based on our client list.

Licensure

The Firm and its supervisory team members maintain licensure with the State of Florida. Additionally, all supervisory professional members maintain the required licensure and continuing education as required for audits of governmental entities. Each individual associated with the audit has complied with all applicable continuing education requirements for audits of governmental entities.

Continuing Professional Education

The Firm continually participates in a variety of continuing education classes in order to meet their licensure requirements and to stay abreast on all the developing changes for the very specific charter school accounting and reporting sector. Stacy and her associates are required and do participate in continuing education classes and conferences such as the following:

- Florida Charter School Conference
- Governmental Annual Update
- Nonprofit Annual Update
- IRS Form 990 Updates
- Uniform Guidance Requirements

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Firm Qualifications and Experience

The Firm's office is located in Central Florida and its governmental audit staff consists of the Firm's partner, Stacy McCrady and five experienced professionals. Your audit will be performed by the engagement partner and the audit professionals listed in the following section. The team has significant experience. The partner will be involved in all aspects of your engagement including planning the audit as well as the substantive procedures. We are available throughout the year for meetings with the Audit Committee, Finance Committee and Board of Directors, as necessary.

We are dedicated to keeping abreast of the specific laws, rules and regulations associated with the organization as well as the governmental auditing standards. There are several new accounting pronouncements as well as auditing standards effective for this year. We will implement these standards as needed and inform the board of significant financial consequences.

The Charter School industry has evolved and continues to change based on the circumstances surrounding our communities. As professionals, we all strive to remain current. As such, we do have experience with CSP grants, Title 1, Title 11, Tax credits, and Bond Financing.

The members of McCrady & Associates are recognized as one of the leading providers of CPA firm services to the charter school community in Florida. Since the late 1990's and the inception of the charter school movement, our partner has provided assurance and tax services to more than 100 charter schools, and not-for-profit organizations throughout Florida and the United States. We are familiar with planning for tight deadlines. Please see the approach to the audit section and we would use interim work in the in subsequent years. The following are resumes of the members of your audit team.

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Resume

Stacy McCrady, CPA

Engagement Partner

Engagement Responsibility

Stacy will serve as the engagement partner, responsible for the ongoing communication with management and the board of governance as well as perform and supervise fieldwork.

Experience

Stacy began her career in public accounting at Coopers & Lybrand in Orlando. Prior to forming McCrady & Associates, Stacy was a partner in another local firm for several years focusing most of her time on assurance. During that time, she initiated and was responsible for developing a niche in the audits of charter schools. She has spent over 30 years expanding her knowledge regarding the laws, rules and regulations required for charter school accountability. The concentration of charter school audits in our firm has allowed us to provide personal quality professional services.

Education

Stacy attended Wake Forest University in North Carolina. She has a Bachelor's degree in Accounting and a Master of Science in Taxation from the University of Central Florida. Continuing professional education within the last two years include governmental and nonprofit conferences, classes on fraud and internal controls, as well as taxation of nonprofit organizations.

Licenses and Community Involvements

Certified Public Accountant, Licensed in Florida

Member of Board of Governance for Orangewood Christian School

Expert Witness for Charter School Movement

Board Chairman of Winter Park Presbyterian Preschool

CPE

Audits of State and Local Governments

Trends in Governmental Accounting

GAAS Guide: Evidence and Procedures

Government Accounting Principles

Audit Workpapers: Fieldwork Standards

Audit Documentation and Workpaper Review

GAO Standards: Yellow Book

Member of:

American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

Resume

Amanda Moore, CPA

Audit Manager

Engagement Responsibility

Amanda will be responsible for reviewing the workpapers and assisting in preparing financial statements. Amanda will be present for much of the planning and will support Stacy in preparing the final report and reviewing the workpapers.

Experience

Amanda began her career working in public accounting. She has approximately 25 years of experience in auditing and accounting. If awarded, she will be a vital part of this engagement and has quoted, "I endeavor to make a difference to my colleagues, my clients, my profession and my community. I believe in patience, kindness and ethical behavior, not just my profession, but all facets of life." Amanda works full time for the firm during charter school season.

Education

Amanda received her Bachelor's degree in Accounting from Florida State University. She has been a CPA since 1993. She has relevant continuing professional education including but is not limited to governmental and not-for-profit accounting and specifically Homeowner Associations audits.

Member of:
American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

Similar Engagements with This and Other Charter Schools (Stacy McCrady has been or will be the Engagement Partner on all these engagements)

Treasure Coast Classical Academy (160 hours)

- Subject to a Federal Audit under Uniform Guidance
- Years audited approximately 3 (2020 to date)

Discovery School of Lake Alfred (Conversion School) (200 hours)

- USDA Loan with co-borrower
- Subject to a Federal Audit under Uniform Guidance
- Consolidated Financial Statements required for bonding agency
- Years audited approximately 23 (2000 to date)

Ridgeview Global Studies Academy (Conversion School) (180 hours)

- USDA Loan
- Subject to a Federal Audit
- Recording and monitoring Florida Retirement System (FRS) adjusting journal entries.
- Multiple stages of construction
- Years audited approximately 23 (2000 to date)

Discovery High School (Approximately 180 hours)

- USDA Loan with co-borrower
- Subject to a Federal Audit
- Consolidated Financial Statements required to bonding agency
- Multiple stages of construction
- Years audited approximately 9 (2014 to date)

Team Success a School of Excellence (Approximately-150 hours)

- Subject to a Federal Audit
- Multiple stages of construction
- Years audited approximately 12 (2011 to date)

Berkley Charter School (Approximately-120 hours)

- Conversion School-Facilities provided
- Subject to a Federal Audit
- Multiple stages of construction
- Years audited approximately 12 (2011 to date)

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Audit Approach, Communication Plan and Timeline

McCrary & Associates has implemented the following specific audit approach to ensure the audit of the School is performed efficiently, effectively and to minimize disruption to the business office and support personnel.

For the first year of audit, the first stage of the audit would be planning and the initial audit procedures which includes conversations with the predecessor auditor. We would also conduct interim procedures that can be done remotely. For the first year, third party confirmations, contracts and review of cash transactions would be our focus. This stage would be performed by the audit manager and staff with the partner approval.

If appointed, we would plan interim work commencing next year and continuing annually during April and May, if possible. The procedures would include but is not limited to preliminary analytical procedures and based on the results, the substantive tests would be planned. Any major transactions or purchases would be analyzed. The entire audit team would be involved.

Shortly after year end in July, we will sample and test the Schools' transactions and compliance requirements as part of our audit. Our samples will be based on guidance of the AICPA sampling requirements.

The final stage of the audit, which includes preparation of financial statements and review by the partner and management, will be performed in August for a delivery no later than September 4th. The final stage also includes evaluating and discussing audit adjustments, if any. Assistance with preparation of the required reporting, our written communication of internal control, compliance related matters and the management letter would also be corresponded, if needed or requested.

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Price Proposal

Our estimated fee for the financial statement audit of North County Charter Elementary School for fiscal year ending June 30, 2023 is no more than \$9,000 for the annual audit and \$1,500 for the preparation of the Form 990. If a federal audit is required, there will be an additional fee of no more than \$3,000. There will not be any change or increase in fees for at least the next three consecutive audit periods. The audit will be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA) and the standards set forth by the Governmental Accounting Standard Board (GASB) for state and local governments. The primary purpose of this audit is to express an opinion on the financial statements of the School as well as opine on the school's compliance with laws rules and regulations. If a Federal audit is required, our team has the qualifications and experience to conduct this audit. A Federal audit is only required if the school expends more than \$750,000.

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Conclusion

McCrary & Associates would be excited to be your firm of choice for the School. We take our mission to servicing charter schools seriously and whole heartedly. We would work together as a team to develop a strong and mutually benefitting relationship. Thank you for your time and considering us to serve North County Charter Elementary School.

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