



Uncompromising Service Starts Here
Proposal to provide audit and advisory services to the



Technical Proposal

Presented by:

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Transmittal Letter

August 20, 2020

Town of West Seneca
Town Clerk
1250 Union Road
West Seneca, New York 14224

We are pleased to present our proposal to serve as independent accountants and auditors for the Town of West Seneca (the "Town"). You can be confident we have the governmental experience, along with the professional resources to provide you with proactive attention delivered through our client service model. We have reviewed the criteria presented in your Request for Proposal, and hereby accept all conditions detailed therein including our commitment to perform all work in the required time period and we acknowledge that our proposal is a firm and irrevocable offer. Our proposal covers the fiscal years ending December 31, 2020; December 31, 2021; and December 31, 2022.

We are a well-known firm and recognized leader in the practice of municipal audit and advisory services, and are proud of our involvement with the New York State Society of Certified Public Accountants Government Accounting and Auditing and Public School Committees and the New York State Government Finance Officers Association. Our offices have over 40 team members with a strong governmental and Uniform Guidance background. We are currently the auditors of record for 6 counties, 6 cities, over 35 towns and villages, as well as over 35 school districts and other educational entities. Additionally, two of our partners have achieved Certificates of Educational Achievement in Governmental Auditing and Accounting awarded by the American Institute of Certified Public Accountants.

We are proud of our reputation and we encourage you to talk to our clients about our services. We have attempted to keep this summary as brief and concise as possible. Therefore, if you should require any additional information, please do not hesitate to contact us at 585-454-6996 or visit us at www.inserocpa.com.

Sincerely,



Duane R. Shoen, CPA, Partner
Insero & Co. CPAs, LLP

I. Detailed Proposal - Items Specific to the Town of West Seneca Request for Proposal

1. **Firm Qualifications and Experience** – The proposer should state the size of the firm’s governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

Insero & Co. CPAs, LLP is a regional accounting firm, with over 150 team members and offices in four locations: Rochester, Ithaca, Watkins Glen, and Cortland. Our governmental audit team consists of 40 members that have extensive experience in the intricacies of governmental auditing practices and procedures and are well versed in both current and upcoming Governmental Accounting Standards Board pronouncements. The Town’s audit will be serviced primarily out of the Rochester office. A Representative Client List can be found in **Appendix C** of our proposal.

The number and nature of the professional staff to be employed on the engagement on a full-time basis and the number and nature of staff to be employed on a part-time basis consist of the following:

Partners	1 (part-time)
Managers/Supervisors	1 (full-time)
Staff Accountants	2 (full-time)

During the past (3) three years our firm has not had any federal or state desk review or field reviews of its audits. No disciplinary action has been taken or is pending against our firm.

2. **Partner, Manager and Supervisory Staff Qualifications and Experience** – Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in New York State.

Indicate how the quality of staff over the term of the agreement will be assured. Engagement partners, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Town. However, in either case, the Town retains the right to approve or reject replacements.

Biographies for your proposed Client Service Team can be found in **Appendix B** of our proposal. Our audit team has extensive training and experience in governmental auditing, as we specialize in this niche market, and pride ourselves on our level of skill and expertise. All staff members are current and maintain relevant continuing professional education including required training in government auditing standards.

Our client service team has been designed to provide a team of individuals able to respond to your needs on a year-round basis, but more importantly, they are ready to begin serving you immediately. The responsibility for all final decisions regarding technical matters rests with your engagement partner. We have an impressive group of experienced partners in our practice and, accordingly, we do not need to go outside our office for final approval.

One of the core values at Insero & Co. is our passion for our people. We have focused a significant effort on ensuring our team members have the best experience and opportunities to fulfill their career goals. The Insero model believes the best way to ensure superior client service is to have a happy and dedicated team, and as a result, our turnover is well below industry standards. We are proud to have been named one of the Best Accounting Firms to Work for by Accounting Today and Best Companies Group. This annual list recognizes 100 top firms across the U.S., and we are the only firm in New York State to have made the list each of the last nine years. We have also been named one of Rochester's Top Workplaces by the Democrat and Chronicle and Energy and are the only accounting firm to have been recognized for each of the last seven years. We have also been ranked as one of Central New York's Best Places to Work by the Central New York Business Journal and BizEventz for the third year in a row.

No other accounting firm in the state of New York has won as many awards and accolades for being a great place to work in recent years. As a result, our turnover rate is well below the industry average, giving you the benefit of working with the same people regularly. Our firm has a history of strong employee retention and has experienced very low turnover. We are committed to staff development and to providing an enjoyable workplace. While there are no guarantees, we will do everything we can to provide staff continuity on your engagement.

3. Specific Audit Approach – The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference should be made to such sources of information as the Town's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Our audit methodology is highlighted on pages 8 – 10 of our proposal. We have specific audit procedures for government, higher education, nonprofit, and related entities, which include tailored checklists and flow charts for documenting and evaluating internal controls specific to each industry. Whether a first- or fourteenth-year client, we expect our approach to remain similar each year, as we continue to gain efficiencies within the audit process of the Town. These efficiencies allow us to incorporate more in-depth departmental focus on a rotational basis in order to add value to the audit engagement.

As a firm, we value communication highly and consider it a crucial part to a successful audit process. Should any concerns arise during the course of our field work and audit preparation, we will immediately meet with management and the finance committee to review any findings, develop an action plan, and mediate any situations quickly and efficiently. Additionally, our team is available year-round to answer questions, brainstorm about financial matters and provide advisory services.

Proposers will be required to provide the following information on their audit approach:

a. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

Level of Staff	Segment of Engagement	Number of Hours
Partners	Planning, fieldwork completion	20
Managers/Supervisors	Planning, fieldwork completion	80
Seniors/Staff	Planning, fieldwork completion	200

b. Sample size and the extent to which statistical sampling is to be used in the engagement.

We use judgmental sampling when selecting samples for testing. Our determination of sample sizes and the extent of testing we perform will be based on results of our risk assessment procedures. Typically, our sample sizes will depend on the size of the population being tested and the level of assurance desired. Our audit software contains a tool that assists us in selecting sample sizes. During our initial audit, sample sizes might be larger as we become familiar with your internal control system.

c. Type and extent of analytical procedures to be used in the engagement.

We use analytical procedures in the planning phase of the audit by comparing revenue and expenditures/expense accounts to the prior year. Based on inquiries and our knowledge of the client, we develop expectations of the relationship of the current year's balances to the prior year. When there are unexpected variances, we perform additional procedures as deemed necessary. As we test particular accounts, we may use other analytical tools, such as budget to actual comparisons and multiple year trends as appropriate in each circumstance. Before issuing a draft of the financial statements, when all proposed adjustments have been completed, we perform final analytical procedures to ensure no unusual or unexpected variances are noted.

d. Approach to be taken to gain and document an understanding of the Town's internal control structure.

Internal control is a process, affected by management and other personnel, designed to provide reasonable assurance of achieving objectives. Our assessment of internal control is concentrated in the following areas:

- Inquiries of appropriate entity personnel regarding the design and/or application of a relevant internal control policy or procedure; including the classes of transactions to which the policy or procedure applies, how it is applied and by whom, and the disposition of exceptions detected by the policy or procedures.
- Inspection of documents and/or reports evidencing the design and/or application of the relevant policy or procedure by Town personnel, noting how the policy or procedure is applied and by whom, the classes of transactions to which it applies, and the disposition of exceptions detected by the policy or procedure.
- Re-performance of the application of the policy or procedure by the auditor and comparison between the results obtained by the auditor and the results obtained by Town personnel.
- Our audit approach is based on our gaining a thorough understanding of your internal control systems. Our approach will go beyond completing checklists and forms. We believe it is critical that we interview your staff members who serve in different departments to fully understand the controls that are in place at your organization. This process helps us to evaluate the design of your controls as well as determine the key controls we test to ensure they have been implemented. A significant portion of internal control testing we will propose performing on the Town's audit relates to its federal programs. In conjunction with this testing, we would coordinate closely with the Comptroller and relevant departments that receive and disburse federal funds.
- We have developed an audit procedure manual specifically for government entities, including tailored checklists and flow charts for documenting and evaluating internal controls specific to Town government. Although our initial audit will initially take a time commitment to gain an understanding

of the processes/procedures in place, we expect our approach to remain similar in subsequent years of the engagement in order to effectively gain efficiencies as we audit your organization. These efficiencies allow us to incorporate a more in-depth departmental focus on a rotational basis to add value to the Town during the audit engagement.

- In conjunction with our internal control and other audit testing, we will also address the requirements related to your federal funding. Our approach will leverage off the testing, where possible, of the main audit to ensure we are efficient and focused.

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

Any laws the Town is subject to that are relevant to our opinion on the financial statements and federal program compliance would be subject to our work. This would include, but not be limited to: County Law, Local Finance Law, General Municipal Law, payroll laws, and specific laws and regulations over federal programs.

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

When performing tests of compliance for the single audit, we evaluate the size of the population and determine sample sizes accordingly. The type of sampling performed for other major programs is dependent on the requirements of each program tested.

During fieldwork, we will audit the Town's financial statements, perform internal control procedures and walk-throughs, and other risk assessment planning procedures. As part of our procedures, we will obtain information from the Town sufficient to prepare the draft financial statements in accordance with generally accepted accounting principles, as well as drafting the required audit reports and communications.

This includes the preparation, in draft form, of the notes to the Town's financial statements, including the disclosures required by GASB Statements No. 68 and No. 75. During the course of the audit, we will review any internal control issues we may identify in order to, with management, ensure our correct interpretation of events and to allow management to take corrective action as soon as possible. Our determination of sample sizes and the extent of testing we perform will be based on results of our risk assessment procedures.

We will determine what major programs will be tested and will perform tests of compliance related to these programs.

At the conclusion of the audit, we will request a conference with management and the Town Board to review the draft audit reports and management recommendation letter. We will then finalize the reports and present them to management. We want the audit engagement to be as informative and meaningful to management as possible, in addition to meeting the compliance requirements.

4. **Similar Engagements with Other Municipalities** – For the engagement team that will be assigned responsibility for the audit, list five other municipalities your firm provided audit services to within the last two (2) years that are similar to the engagement described in this request for proposal. Indicate the scope of work, date, engagement partner, total hours, and the name and telephone number of the principal client contact.

Our most significant engagements performed in the last two (2) years that are similar to the services requested are as follows:

Similar Client	Scope of Work	Date	Total Hours	Engagement Partners	Principal Client Contact (Name/Phone)
City of Auburn	Auditing Services	Year-end 12/31	490	Patrick Jordan	Robert Gauthier 315-255-4143
Town of Vestal	Auditing Services	Year-end 12/31	390	Duane Shoen	Laura McKane 607-748-1514 x 324
City of Elmira	Auditing Services	Year-end 12/31	310	Jerry Mickelson	Charmain Cattan 607-737-5658
City of Oswego	Auditing Services	Year-end 12/31	600	Duane Shoen	Deborah Coad 315-342-8105
City of Fulton	Auditing Services	Year-end 12/31	220	Duane Shoen	Dan O'Brien 315-592-4340

5. **Independence** – The firm should provide an affirmative statement that it is independent of the Town as defined by generally accepted auditing standards, U.S. General Accounting Office’s Government Auditing Standards.

We warrant that we are independent of the Town. Additionally, we certify that we hold applicable insurance coverage as expected for the work to be performed. An insurance certificate can be provided on request. All work under this contract shall be executed in accordance with all applicable federal, state, and village laws, ordinances, rules and regulations, which may in any manner affect the performance of this contract. Insero & Co. CPAs, LLP agrees to comply with the civil rights standards set forth in Title VII of the Civil Rights Act as mandated in Executive Order No. 11246, U.S.C.A. Section 2000e n.114.

Insero & Co. complies with independence requirements as required by the U.S. Government Accountability Office’s Government Auditing Standards and the Public Authorities law.

6. **License to Practice in New York State** – An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in New York State.

The firm and all assigned key professional staff are properly licensed to practice in the State of New York.

7. **Identification of Anticipated Potential Audit Problems** – The proposal should identify and describe any anticipated potential audit problems, the firm’s approach to resolving these problems and any special assistance that will be requested from the Town.






Based on our understanding of the audit services to be performed, we do not anticipate any problems with the Town’s audit process.

8. Peer Review – Attach a copy of your firm’s latest peer review.

Our firm undergoes an external quality control review every three years. Due to the number of municipal and nonprofit audits the firm conducts, a specially trained technical review team was selected to perform our quality review on our governmental and nonprofit practice. We continually monitor our system to ensure the highest possible quality control system is in place. No disciplinary action has ever been considered or taken against the firm by State regulatory bodies or professional organizations. Our peer review opinions are “clean” and without any comments. Our most recent peer review letters can be found in **Appendix D** of this proposal.

Our Difference

We differentiate ourselves from the other accounting firms on a number of fronts:

-  Entrepreneurial spirit. We are a firm of entrepreneurs focused on being a value-added resource for our client’s success.
-  A commitment to governmental clients and the challenges inherent therein. We provide our clients with the best local resources.
-  Value added service model. Our partners and managers understand the importance of adding value.
-  Our team is proactive and innovative. We meet with our clients to understand their business and bring ideas to the table. We understand that not every idea is the right idea, but it is our position that you should be involved in that decision.
-  Our audit focus maintains a high level of professional skepticism. Audit focus varies each year to add value to each audit engagement.
-  Experienced Partner and Manager Team to provide professional services to the Town.
-  Our team members are easily accessible for consultation and assistance as may be required.

Thank You for Considering Us

Our most important function is prompt, creative, and effective service of the highest standard. All our efforts are directed toward achieving that goal. We believe that we can serve the needs of the Town of West Seneca to your complete satisfaction. You will be a very important client and receive superior personal service tailored to your needs. We appreciate this opportunity to present our qualifications for your consideration and will be pleased to furnish any additional information that you may request.

II. Executive Summary for the Town of West Seneca

Your Needs

- Financial Statement Audit of the Town of West Seneca
- Perform an Annual Audit of the Town Justice Court
- Perform an Annual Audit of the Town Clerk/Receiver of Taxes

You will be working directly with our partners and other experienced professionals. We will tailor our services to fit your specific requirements and won't take a one-size-fits all approach to client service.

As your organization continues to evolve and experience change, keep in mind that we offer additional services including Outsource Accounting Services. You will have access to a deep bench with a knowledgeable and experienced team.

Our Promise

Over the past 40 years we have grown into one of the premier public accounting firms in New York State with over 150 professionals in four locations.

We will perform your services with quality, meaningful communication, fair prices, and with competent professionals who demonstrate passion and concern for your business, and for you personally. Every client is treated to ***The Highest Standard*** of client service:

On Time

We strive to provide every client with timely access to our people and service results delivered on time. What does this mean to you? **No last-minute fire drills.**

On Budget

Our rates are competitive and fair. You will work with experienced professionals who focus on being efficient and effective. We will work diligently to maintain our relationship while maintaining a **cost-effective fee structure.**

No Disruptions

Our clients expect a seamless transition and we make certain they experience one. **Your service transition will be painless.**

No Surprises

Staff continuity is as important to us as it is to our clients. Our consistent ranking as one of the nation's Best Accounting Firms to Work For by Accounting Today and Best Companies Group is proof that we invest in our people and demonstrates why our turnover rate is well below the industry average. **You will work with the same people regularly.**

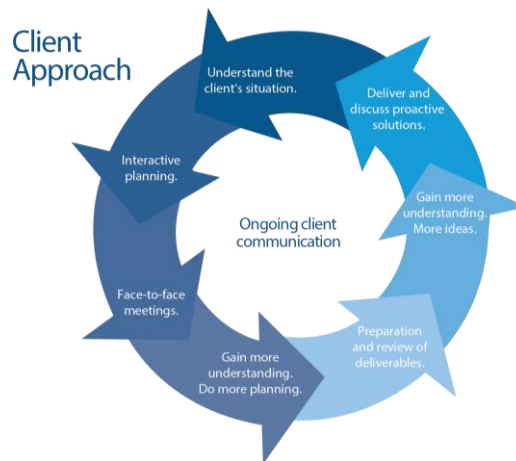
You will be totally satisfied with everything we do together. This is *The Highest Standard.*

III. Scope of Services

Attestation and Assurance Services

Our approach is designed to limit business and financial risk associated with the audit process in the following ways:

- Our client acceptance policies permit relationships only with clients whose management has a high degree of integrity and competence.
- Audit engagements are staffed at the proper level of experience in relation to the complexity of the client engagement and experience in the client's industry.
- Our audit approach places heavy emphasis on thorough planning and client involvement to ensure the timely identification of key business and accounting issues and resulting audit strategies.



Service Delivery Model: The audit process involves planning an overall audit strategy for the expected conduct, organization, and staffing of the audit. Although many planning activities are performed prior to the commencement of field work, planning is not a discrete phase of the audit – rather, it is an iterative process that begins with engagement acceptance and continues throughout the audit.

Our communication with management takes place during every phase of the audit. As part of our two-way communication with management, we will convey an overview of the planned scope and timing of the audit. At the conclusion of the audit, we will communicate our audit findings. We begin the audit process by meeting with management to clearly identify needs and expectations, including inquiries about risks, concerns, and changes in the organization.

Step 1 – Understanding the Client: We must first obtain a broad and deep understanding of the nature of the Town in order to understand the account balances, classes of transactions, key systems, and disclosures relevant to its activities. Our understanding also encompasses relevant industry and other external factors. We seek to understand the Town's objectives and strategies, along with the related business risks that may result in material misstatement of the financial statements. We gain an understanding of the policies and procedures that the Town uses to measure and review financial performance in order to better understand how management monitors these risks.

We consider whether the Town selection and application of accounting policies are appropriate and consistent with generally accepted accounting principles. We obtain an understanding of the Town policies for presentation and disclosure in the financial statements. Much of our effort to understand the Town will focus on obtaining an understanding of internal control that is sufficient to assess the risks of material misstatement and design the nature, timing, and extent of audit procedures.

Step 2 – Risk Assessment: We use the knowledge and understanding we have gathered, together with other factors, to first assess the risk that errors or fraud may cause a material misstatement of the financial statements. We then decide whether the identified risks of material misstatement pertain to specific relevant assertions related to significant account balances, classes of transactions or disclosures, or whether they relate to the financial statements taken as a whole, which could potentially affect many relevant assertions. We then determine which of the identified risks of material misstatement are significant risks that require special audit consideration. Our risk assessment process at the account balance or class of transactions level consists of:

- an assessment of inherent risk (the susceptibility of an assertion relating to an account balance or class of transactions to a material misstatement, assuming there are no related controls), and
- an evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk (the risk that a material misstatement could occur in an assertion and not be prevented or detected on a timely basis by the Town's internal controls).

Step 3 – Further Audit Procedures: We then determine the nature, timing, and extent of tests of controls and substantive procedures necessary given the risks identified and the controls as we understand them. When audit evidence from further audit procedures contradicts the audit evidence from risk assessment procedures upon which we based the planned further audit procedures, we will revise the assessment and plan and perform additional or different audit procedures to reduce the risk of material misstatement related to those assertions to an acceptable level.

Step 4 – Evaluation: At the conclusion of the audit, we evaluate the sufficiency and appropriateness of the audit evidence obtained and whether the assessments of the risks of material misstatement at the relevant assertion level remain appropriate. We may re-design planned audit procedures based on our evaluation. We also evaluate the effects, both individually and in the aggregate, of known and likely misstatements that are not corrected by the Town. We will accumulate all known and likely non-trivial misstatements identified during the audit and communicate them to management on a timely basis.

Step 5 – Delivery: We will communicate with you frequently throughout the audit process to avoid surprises at the end. Our audit will culminate with the issuance of our report on the financial statements, our report to management and our communications of material weaknesses and significant deficiencies (if any). All matters identified in the audit process will be discussed with management as part of our ongoing meetings throughout the audit process to ensure that there is agreement as to the facts, and to provide management with the opportunity to comment before any comments are formally completed for presentation to the Town's Board of Directors.

Internal Controls Structures and our Risk Assessment Approach

Internal control is a process, affected by management and other personnel, designed to provide reasonable assurance of achieving objectives. Our assessment of internal control is concentrated in the following areas:

- Inquiries of appropriate entity personnel regarding the design and/or application of a relevant internal control policy or procedure including the classes of transactions to which the policy or procedure applies, how it is applied and by whom, and the disposition of exceptions detected by the policy or procedures.

- ↗ Inspection of documents and/or reports evidencing the design and/or application of the relevant policy or procedure by the Town's personnel, noting how the policy or procedure is applied and by whom, the classes of transactions to which it applies, and the disposition of exceptions detected by the policy or procedure.
- ↗ Observation by the auditor of the performance of the relevant policy or procedure by the Town's personnel, noting how the policy or procedure is applied and by whom, the classes of transactions to which it applies, and the disposition of exceptions detected by the policy or procedure.
- ↗ Re-performing the application of the policy or procedure by the auditor and comparison between the results obtained by the auditor and those obtained by the Town personnel.

Our audit approach is based on our gaining a thorough understanding of your internal control systems. Our approach will go beyond completing checklists and forms. We believe it is critical that we interview your staff members who serve in different departments to fully understand the controls that are in place at your organization. This process helps us to evaluate the design of your controls as well as determine the key controls which we test to ensure they have been implemented.

This approach is particularly helpful in designing the audit approach for account balances with significant estimates. Despite the fact that our audit will include some time to gain an understanding of the organization and the processes/procedures in place, we expect our approach to remain similar in subsequent years of the engagement in order to effectively gain efficiencies as we audit your organization. These efficiencies allow us to incorporate more in-depth departmental focus on a rotational basis to add value to the Town during the audit engagement.

Technical Accounting Guidance and Advisory Services






Accounting issues of governmental organizations can be just as complex as those of a Fortune 500 company. We recognize this and encourage our clients to call us to discuss questions as they arise. We find year-round communication and a proactive approach to accounting issues helps clients avoid surprises at year-end. Whether through your local engagement team or the national experts from RSM, we will assist you with the interpretation of the gray areas within accounting guidance, including new GASB Statements before they are effective. We will help you to present transactions, based on their substance, rather than analyze them after the fact. Our goal is to communicate regularly and address accounting issues as they arise.

Our firm has had extensive experience working with a wide range of governmental and nonprofit organizations for over 40 years. We currently provide auditing and tax services to approximately 200 such organizations throughout New York State.

Appendix A Our Value Statement

Overview

While we recognize that it may be difficult to effectively compare the capabilities and services of potential service providers, we believe the following differentiators clearly separate us from other firms:

-  A dedicated governmental Uniform Guidance team
-  Hands on/face-to-face interaction with our clients
-  A strong reputation for quality, service, and fair fees
-  Open communication throughout the year
-  An impressive list of municipal clients

Our Formula for Success

For over 40 years, our focus has been on providing high quality accounting, audit, tax, and advisory services to governmental entities and nonprofit organizations in Central New York and the Finger Lakes Region. Our long-term success has been achieved by diligently guarding the integrity of our practice and the business of our clients.

We have developed an exceptional reputation working with governmental entities and nonprofit organizations, and pride ourselves on unwavering attention to detail and an ongoing commitment to client satisfaction. This simple model allows us to deliver exceptional service. Our clients rely on our audit, accounting, and tax professionals to not only meet their basic recurring compliance needs, but to provide proactive ideas and suggestions. Our team has a proven track record of providing our clients with high quality compliance services, as well as advice and solutions for internal controls, procedures, and policies.

We, like you, understand the challenges inherent in governmental auditing practices, including internal controls and policies. We understand your desire to do the best for your community, the resulting challenges, and your drive to succeed. Our commitment is to minimize the distractions from the audit.

A Service Philosophy Focused on Quality

Quality service is a core tenet of our service philosophy. Insero & Co. CPAs, LLP consistently provides accurate and timely auditing, tax, and advisory services for our clients. You can depend on the quality of our work to help you make sound financial decisions.

Our Personal Approach

We are structured so that our top professionals are able to work closely with you, in an integrated way, without departmental barriers, bringing ideas and solutions to help you succeed. You will work with seasoned partners and team members who possess an in-depth understanding of governmental accounting.

Your service team is available to you throughout the year and we encourage you to call us at any time. We are committed to assisting our governmental clients with questions that may arise, whether they be accounting based, or questions relating to employment tax compliance. We pride ourselves on providing our clients with dedicated attention from experienced professionals. As a client of our firm, you can expect:

Partner and Senior Manager Availability – Our firm is geared to provide you the experienced professionals and personalized service your organization deserves.

Priority of Service – You will be a high priority client of our firm.

Experience – Your engagement team will be staffed with knowledgeable and experienced team members.

On Site Service – Whether conducting audit fieldwork, an interim update meeting, an annual planning session or simply a quick conversation to “catch-up,” we always prefer meeting with our clients face-to-face. We will make the commitment to make ourselves available to management when necessary.

Locally owned. Nationally affiliated. Globally connected.

Insero & Co. provides the depth and breadth of resources typically available only through national firms and the service-oriented perspective you expect from your local service providers.

Another benefit available to you is the national strength, resources, and governmental/nonprofit expertise of RSM US LLP (formerly McGladrey). Insero & Co. has been a proud member of RSM US Alliance since 1992. RSM US Alliance is a premier affiliation of independent accounting and consulting firms in the United States, with more than 75 members in over 40 states, the Cayman Islands and Puerto Rico. This affiliation gives us access to a full range of national and international capabilities.

As a member of RSM US Alliance, Insero & Co. has access to resources and services RSM US LLP provides its own clients. RSM US LLP is the leading provider of audit, tax, and consulting services focused on the middle market, with more than 11,000 people in 87 offices nationwide. RSM US LLP is a licensed CPA firm and the U.S. member of RSM International, a global network of independent audit, tax, and consulting firms with more than 43,000 people in over 120 countries and 810 offices worldwide.

We accepted an invitation to become a member of RSM US Alliance because it is a natural fit with our commitment to our clients and our determination to stay at the forefront of developments affecting accounting and consulting firms today. Visit rsmus.com/alliance to learn more about our membership with RSM US Alliance.

We are committed to this region and our governmental clients and we can provide the depth and breadth of resources typically available only through a national firm – with one major difference: the traditional service-oriented perspective from a local accounting firm.

Quality Standards

Our firm is committed to upholding the standards of the American Institute of Certified Public Accountants (AICPA) and we undergo a peer review by an outside public accounting firm every three years. We are registered with the AICPA Government Audit Quality Center. We are also registered with the Public Company Accounting Oversight Board (PCAOB) and the AICPA Employee Benefit Plan Audit Quality Center.

Our peer review opinions are “clean” and without any comments. Routine examinations by the PCAOB and DOL have resulted in no audit findings.

Our most recent quality control review can be found in **Appendix D** of this proposal.



AICPA[®]



AICPA[®]
GAQC Member



AICPA[®]
EBPAQC Member

Appendix B Client Service Team



Duane is a Partner in Insero's Audit Department with over 29 years of hands-on experience in taxation and financial reporting. Duane's areas of specialization include auditing and accounting for nonprofit organizations and governmental entities and includes consulting with these organizations concerning policies and procedures, internal control issues, and compliance matters. Duane also has significant experience with accounting for small businesses and individual taxation.

Duane R. Shoen, CPA
Lead Engagement Partner



Matthew is a Supervisor in Insero & Co.'s Audit and Business Advisory Services Group with over three years of professional experience with a blend of both industry and public accounting experience. Prior to joining Insero, his most recent experience was working as the Finance Manager for a local nonprofit organization. He began his career with a regional public accounting firm that specialized in municipal and nonprofit audits.

Matthew Ball, CPA
Supervisor



Collin is a Senior Accountant in our Audit and Business Advisory Services Group and has been with Insero & Co. since 2018. His background includes over eight years of progressive banking and nonprofit board experience. Collin has recent experience with financial statement audits for a variety of clients including nonprofit organizations, government agencies, school districts, and municipalities.

R. Collin Bourke, CPA
Senior Accountant

Our team members at the staff and senior levels generally have between one and five years of experience, have degrees in accounting along with a master's degree and have earned their CPA license or are in the process of earning it. They have multiple years of governmental auditing experience, and understand the unique audit and reporting needs all municipalities have. Individual resumes of our team members can be provided on request.

Appendix C Representative Client List

COUNTY GOVERNMENTS

Cayuga
Chenango
Otsego
Schuyler
Tioga
Tompkins
Broome County IDA
Cortland County IDA
Schuyler County IDA
Tompkins County IDA

SCHOOL DISTRICTS

Candor Central School District
Chenango Forks Central School District
Chenango Valley Central School District
Deposit Central School District
Elmira City School District
Gates Chili Central School District
George Junior Union Free School District
Greene Central School District
Groton Central School District
Homer Central School District
Ithaca City School District
Lansing Central School District
Little Falls Central School District
Maine-Endwell Central School District
Marathon Central School District
Mexico Academy and Central Schools
Newark Valley Central School District
New Roots Charter School
Odessa-Montour Central School District
Otselic Valley Central School District
Oxford Academy & Central Schools
Port Byron Central School District
Sandy Creek Central School District
Southern Cayuga Central School District
Spencer Van Etten Central School District
Susquehanna Valley Central School District
Tioga Central School District
Union Springs Central School District
Watkins Glen Central School District
Waverly Central School District
West Genesee Central School District
Whitney Point Central School District

BOCES

Cayuga Onondaga BOCES
Greater Southern Tier BOCES
Tompkins Seneca Tioga BOCES

COMMUNITY COLLEGE

Corning Community College

CITY GOVERNMENTS

Auburn
Corning
Elmira
Fulton
Ithaca
Oswego

TOWN GOVERNMENTS

Aurelius
Barton
Brutus
Caroline
Chemung
Cortlandville
Elbridge
Erin
Fleming
Fenton
Groton
Lansing
Newark Valley
Newfield
Owasco
Owego
Sennett
Skaneateles
Southport
Spencer
Ulysses
Union-Endicott
Vestal

VILLAGE GOVERNMENTS

Brockport
Cayuga Heights
Dryden
Earlville
Groton
Homer
Lansing
McGraw
Newark Valley
Owego
Oxford
Trumansburg
VanEtten
Waverly

Appendix D Quality Control Review



Report on the Firm's System of Quality Control

September 21, 2017

To the Partners of Insero & Co CPAs and the National Peer Review Committee:

We have reviewed the system of quality control for the accounting and auditing practice of Insero & Co CPAs (the firm), applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended April 30, 2017. 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 in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* including compliance audits under the Single Audit Act, and audits of employee benefit plans.

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.

Accounting, Auditing & Tax – 100 Passaic Avenue, Fairfield, New Jersey 07004
Insolvency & Litigation – 347 Mt. Pleasant Avenue, Suite 200, West Orange, New Jersey 07052
973.736.3333 • www.bederson.com

Appendix D Quality Control Review (*continued*)

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Insero & Co CPAs, applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended April 30, 2017, 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*. Insero & Co CPAs has received a peer review rating of *pass*.



Bederson LLP



Appendix D Quality Control Review (*continued*)



American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

December 19, 2017

Nancy Catarisano
Insero & Co. CPAs, LLP
2 State St Ste 300
Rochester, NY 14614 1329

Dear Nancy Catarisano:

It is my pleasure to notify you that on December 13, 2017, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is October 31, 2020. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation and support of the profession's practice-monitoring programs.

Sincerely,

A handwritten signature in black ink that reads "Michael Fawley". The signature is written in a cursive style.

Michael Fawley
Chair - National PRC
nprc@aicpa.org 919-402-4503
National Peer Review Committee

CC: James Ruitenbergh, Timothy McLaughlin

Firm Number: 900010008382

Review Number: 541555



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