

# ***TOWN OF BELGRADE, MAINE***



## **Proposal to Provide Audit Services**

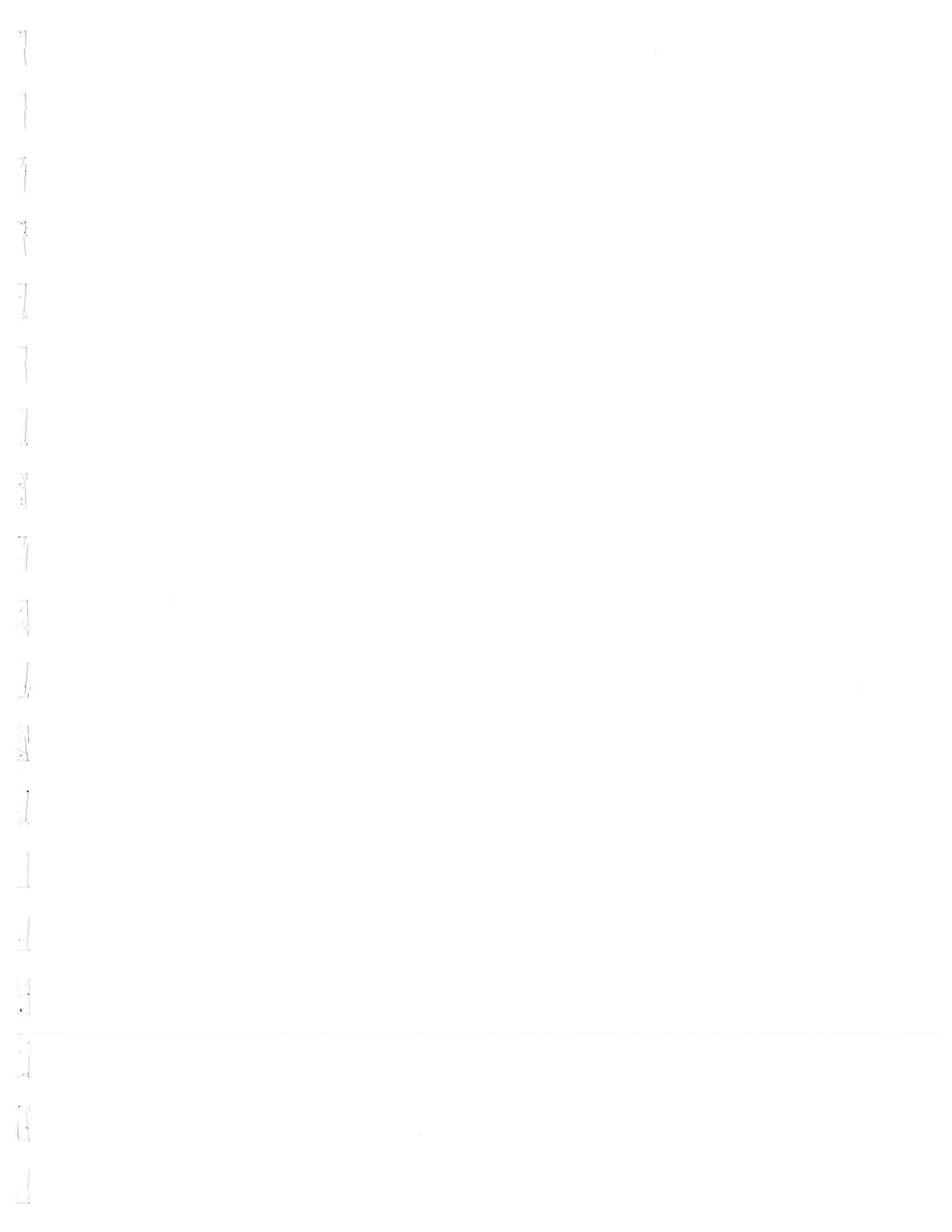
**SUBMITTED BY:**

**RUNYON KERSTEEN OUELLETTE**

**20 LONG CREEK DRIVE  
SOUTH PORTLAND, MAINE 04106  
TELEPHONE: 207-773-2986**

**FOR FURTHER INFORMATION, CONTACT:**

**Jennifer Conners, CPA**  
[jconners@rko-cpas.com](mailto:jconners@rko-cpas.com)



**PROPOSAL TO PROVIDE AUDIT SERVICES**

**TOWN OF BELGRADE**

**SUBMITTED BY:**

**RUNYON KERSTEEN OUELLETTE**

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SOUTH PORTLAND, MAINE 04106  
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**April 11, 2024**



**Table of Contents**

<u>Page</u>	
1-2	Letter of Transmittal
	<b>QUALIFICATIONS OF THE FIRM</b>
	Technical Proposal:
4	Statement of Independence and Licensing
5-8	Firm Qualifications and Experience
9-12	Partner, Supervisory and Staff Qualifications and Experience
13	Similar Engagements with Other Government Entities
14-19	Specific Audit Approach
20	Compensation
	Appendices to Proposal:
	A. Government and Quasi-Governmental Clients
	B. Quality Control Letter



It is our understanding that the period covered by this proposal is for the audit for the years ending December 31, 2024, December 31, 2025, and December 31, 2026, with a possible two-year extension.

Our audit procedures and reports will be in conformance with generally accepted auditing standards (GAAS), as approved and adopted by the membership of the American Institute of Certified Public Accountants, with the standards contained in Government Auditing Standards (the yellow book), and, if necessary, with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), if required.

RKQ is unique among public accounting firms because we have a dedicated governmental audit group in an efficient audit approach, which is carried out by well-trained governmental audit specialists. We believe in the governmental sector, especially as it applies to governments within the State of Maine. We believe smaller local governments in the state. These communities have retained RKQ because of our expertise and consulting. RKQ has provided audit services to many of Maine's largest municipalities as well as many Runyon Kersteen Quellette is proud of its distinguished reputation in governmental auditing and

that works solely with local governments and quasi-governmental entities here in Maine.

Thank you for this opportunity to continue to provide professional services to the Town of Belgrade. As auditors for the Town, we believe that we will continue to work well with your staff and provide the Town with an efficient, thorough, well-presented audit. We are looking forward to continuing an audit relationship with you. You can be assured that Runyon Kersteen Quellette (RKQ) is the right firm to help the Town with its financial responsibilities.

Dear Mr. Poole:

Nicholas Poole, Treasurer  
Town of Belgrade  
990 Augusta Rd.  
Belgrade, ME 04917

April 11, 2024





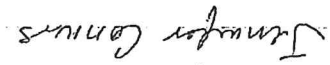
In accordance with the request for proposal, we intend to issue the following reports:

- Independent Auditor's Report - a report containing an expression of opinion that financial statements are fairly stated, or, if a qualified, adverse or disclaimer of opinion is necessary, the reasons therefore are compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards
- Single Audit Reports, if necessary - including i) a report on compliance with requirements applicable to each major program and internal control over compliance in accordance with the Uniform Guidance and ii) schedule of expenditures of federal awards and accompanying notes
- Management Letter - including i) a report communicating any significant deficiencies, and identification of any significant deficiencies that are also material weaknesses, ii) a report on internal controls, observed weaknesses in those controls, if any, and proposed steps to eliminate them, and iii) a report on compliance with applicable laws and regulations
- Letter of Communication with Those Charged with Governance
- SF-SAC Data Collection Form, if necessary

In the following sections of this proposal, we will elaborate on our previous experience and the specific qualifications, which we can provide to you. All required information is presented herein in accordance with the request for proposal.

**We pledge to earn your trust and ensure the needs of the Town are met on a timely and cost-efficient basis throughout the year, not just during the audit. We pride ourselves on the long-term relationships we develop with our clients.**

You may also be interested in viewing our web site at [www.rko-cpas.com](http://www.rko-cpas.com), which not only provides an introduction to the firm, but also provides links to other informational web sites. Service is the attribute which we at RKO most highly regard, and if we can be of any further assistance in responding to your request for proposal, or if you have any questions, please contact us. We look forward to working with you in the future.



Jennifer Connors, Partner  
RUNNYON KERSTEEN OUELLETTE



# TECHNICAL PROPOSAL





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## STATEMENT OF INDEPENDENCE AND LICENSING

Regarding our independence and licensing, we confirm the following:

1. RKO is independent of the Town of Belgrade as defined by the U.S. General Accounting Office's Government Auditing Standards, latest edition, and generally accepted auditing standards.
2. The firm of RKO as well as the partner is properly licensed to practice as certified public accountants in the State of Maine.
3. RKO is incorporated in the State of Maine.



# FIRM QUALIFICATIONS AND EXPERIENCE

## Firm Description

Runyon Kersteen Quellte (RKO) was founded in 1979, and through natural growth, has matured into a medium sized local CPA firm. Our offices are located at 20 Long Creek Drive, South Portland, Maine and 144 South Main St., Rochester, NH. For this engagement, work will be performed out of our South Portland office. The firm utilizes most of its professional staff, to some extent, in audit engagements. These professionals in turn draw on other staff, as needed, especially in areas involving complex regulation, such as employee benefits, payroll and computer applications. We feel RKO can fulfill the needs of the Town with our governmental in-house audit staff.

We anticipate utilizing the following professional staff on the engagement for the Town:

Partner	1
Senior	1
Staff	1

Runyon Kersteen Quellte can fulfill the needs of its clients because its personnel have a diversified base of experience in public accounting. While each has specialized in one or more areas, each has also been exposed to a broad range of client responsibilities and is a well-rounded generalist in addition to their area of emphasis.

## Relevant Experience

We are particularly proud of our expertise in governmental, quasi-governmental and non-profit accounting and auditing. Our experience includes numerous municipalities and other governmental entities and quasi-governmental entities. We currently provide audit services to most of the largest governmental entities in the State as well as many smaller governmental entities. Our current list of governmental clients includes approximately 80 governmental and quasi-governmental entities.

RKO has significant experience in assisting governmental entities in preparing their financial statements for review in the Governmental Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting (ACFR) program. In the past, we assisted eleven communities who were preparing their reports to be reviewed for the ACFR award for the first time. We are also providing continued support for ACFR's for the City of South Portland, the Town of Brunswick, the City of Bangor, the Town of Gorham, the Town of Cumberland, the Town of Kennebunkport, the City of Biddeford and the City of Saco.









It is our normal practice to maintain continuity of personnel assigned to audit engagements. We understand the importance of assigning the same personnel to the audit from year to year. Not only does continuity provide for a more efficient and timely audit, but staff who are familiar with your operations are better able to answer your questions and furnish you with accurate and meaningful advice.

### Continuity

The Maine Board of Accountancy requires all licensees to complete 40 hours of continuing professional education every year. Auditors responsible for planning, directing, or conducting substantial portions of governmental audit fieldwork must complete 24 hours of continuing professional education every two years in subjects directly related to the government environment and to government auditing. RKO's policy requires all professional employees to comply with the Maine Board of Accountancy and GAO continuing professional education requirements and all of the staff members named in this proposal are in compliance with those requirements. We assist our staff in selecting meaningful governmental audit CPE utilizing national, local, and in-house sources. This is one way we ensure continued quality and development of our staff. Additionally, we believe strongly in having our more experienced managers and partners continually share their knowledge with less experienced staff. This is achieved by our managers and partners taking active roles during the fieldwork. From the planning stages of an audit to the exit conference, our partners and managers are continually involved, often working side by side with seniors and staff in the field.

### Continuing Education

We constantly strive to stay at the forefront in the governmental industry. We continually provide training for our staff so that we are able to provide our clients with the highest level of service. We continually attend and participate in GFOA, NESGFOA, MMA and ASBO presentations. We have provided training for our clients on new GASB Statements. RKO participates in training at Maine Government Finance Officers Association Luncheons, at Maine Association of School Business Officers (MeASBO) meetings, as well as an informal training for clients on various governmental and auditing topics. We also participate in Drummond Woodsum's Financial Institute training for school administrators.

Our governmental audit department currently consists of sixteen team members, all of whom spend a significant amount of their time working on municipal audit engagements. In addition to those specializing in governmental audits, we have a solid support staff, which we call on regularly to support our financial and technological needs. For example, our tax department assists our clients on a regular basis with tax or payroll related issues.

Runyon Kersteen Quellte is committed to providing quality audit, accounting, consulting and advisory services to the governmental sector. Because of this commitment, we have become a leader in the State in governmental auditing and consulting services. Our mission is to continually innovate our services, strive to improve our quality services and constantly evaluate the marketplace and maintain flexibility to address the changes in our industry. We are committed to giving each client our best efforts and providing value-added services. Governmental audit services currently comprise approximately 55% of firm revenues.

### Governmental Practice

## FIRM QUALIFICATIONS AND EXPERIENCE, Continued



## FIRM QUALIFICATIONS AND EXPERIENCE, Continued

### Quality Review

RKO participates in the AICPA's quality control review system. The June 2022 review resulted in a rating of "pass" on the system of quality control for the accounting and auditing practice of the firm. A copy of this quality control document has been included in the appendix under section B. The on-site visits are a part of the AICPA's quality control monitoring program for all member firms and are conducted every three years. Among other procedures, the Quality Review Team inspects randomly selected client files and workpapers to ensure compliance with professional standards on audit, review, and compilation engagements. Several government and non-profit engagements were reviewed as part of this inspection. Additionally, continuing education records are scrutinized, employees are interviewed, and various other administrative procedures are examined to test for adherence to all nine elements of quality control as promulgated by the AICPA. The successful completion of the review marks our commitment to provide a top quality product and level of service to all clients. In addition to participation in the AICPA's quality control program, RKO reports are periodically reviewed by various Federal and state grantor agencies. Other desk reviews done by Federal or state agencies have not resulted in any disciplinary action taken against the firm.

### Governmental Audit Quality Center

RKO is also a member of the AICPA's Governmental Audit Quality Center (GAQC), which promotes the importance of quality governmental audits. GAQC is a voluntary membership center for CPA firms which helps meet the challenges of performing quality audits in the unique and complex governmental auditing arena.





## FIRM QUALIFICATIONS AND EXPERIENCE, Continued

### Additional Services

We believe that the role of our clients' CPA firm should be more than that of a stranger appearing once a year to look over their shoulders. Our procedures ensure that our work is performed to the highest standard, but our clients typically develop an appreciation for our expertise and use our services for much more. By way of example, we present the following tasks which we have performed recently in addition to our routine professional services:

We routinely assist our clients with development of proper internal control systems and procedures. We have participated in the computer selection process for several governmental and non-profit clients. We have provided guidance in finance personnel selection processes, and have assisted in that selection process. We have assisted in the preparation of cash flow forecasts for anticipatory borrowing purposes. We have assisted our clients in the process of obtaining financing, including preparation of major portions of official statements. We have worked with bank trustees in maintaining financial control of significant bond proceeds. We have participated in various fraud investigations, including testifying in court proceedings which resulted from these engagements. We have assisted many of our clients in establishing a new or revised chart of accounts. We have participated in the development of client accounting manuals. We have reviewed client budgets in an effort to ensure that no major expense categories have been omitted or that any revenue sources have been over-estimated. We have assisted in the establishment of Tax Increment Financing Districts. We have routinely assisted our clients in various bank and tax reconciliation problem resolutions. Such extra service is representative of the service we seek to render on a routine basis. All non-audit services are evaluated to ensure compliance with the independence standards of Government Auditing Standards issued by the Comptroller General of the United States.



## PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

Runyon Kersteen Queltette can fulfill the needs of its clients because its personnel have a diversified base of experience in public accounting. While each has specialized in one or more areas, each has also been exposed to a broad range of client responsibilities and is a well-rounded generalist in addition to his or her area of emphasis.

The following individuals would be assigned to the audit of the Town. The partner assigned to the engagement is licensed to practice as a CPA in the State of Maine. Resumes are presented in the following section of this proposal. Resumes include information on relevant continuing professional education.

### Engagement Partner

**JENNIFER CONNERS, CPA, MSB** is one of RKO's partners specializing in governmental audits. As engagement partner, she will be responsible for the overall planning and supervision of the engagement. As engagement partner, she will assist the staff in resolving potential problems and review the audit workpapers. Her direct involvement will ensure a smooth, efficient, and thorough audit. Her resume follows with more information regarding relevant experience.

### Engagement Senior

**ZACHARY ALBAHARY** will serve as the engagement senior. He will be actively involved with the planning, organization, and implementation of the audit program. He will report directly to the engagement partner and will be on site throughout the course of the audit work.







**JENNIFER CONNERS, CPA, MSB  
PARTNER**

[jconners@rko-cpas.com](mailto:jconners@rko-cpas.com)

Jennifer is a summa cum laude graduate of Husson College, where she received a Bachelor of Science in Accounting and a Master's of Science in Business in 2003. Jennifer's primary duties while at RKO have involved participating in the audits of municipal and commercial clients. In particular, her experience includes audits of the governmental and quasi-governmental entities of Efficiency Maine Trust, the City of Bangor, the Towns of Cumberland, Freeport, and Cape Elizabeth; RSU No. 18, and others.

Jennifer is currently a member of the following organizations:

- The American Institute of Certified Public Accountants
- The Maine Society of Certified Public Accountants
- The New England States Government Officers Association
- The Government Finance Officers Association

Jennifer has also participated in continuing professional education in such areas as updates of Governmental Accounting and Auditing Standards; updates of the Uniform Guidance requirements, fraud requirements, internal controls, and ethics.



Zachary graduated from Roger Williams University with a Bachelor's Degree in accounting. After graduation, Zachary completed an internship with another local accounting firm and joined RKO in May 2017. Zachary has formed a strong relationship with his clients and fellow co-workers. He has worked in many different areas of accounting, but has focused primarily on auditing governmental and quasi-governmental entities. Zachary is a regular participant in RKO's in-house training seminars and has presented on several topics. Zachary is actively pursuing his Certified Public Accounting license.

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**ZACHARY ALBAHARY**  
**SENIOR ACCOUNTANT**  
[zalbahary@rko-cpas.com](mailto:zalbahary@rko-cpas.com)



## SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

RKO currently provides auditing services to approximately fifty-eight (58) municipalities and school units and eighteen (18) quasi-governmental agencies.

We believe that the most effective method for you to judge our qualifications and performance is to contact any of our existing or prior clients. We are confident that they will furnish you with a positive recommendation and will confirm the claims made in this proposal. A complete listing of governmental and quasi-governmental organizations appears in Appendix A of this proposal.

The following is a list of three (3) entities to whom we have provided audit services in the last five years which we feel are similar to the Town of Belgrade's engagement.

As part of our audits of these governmental entities, we have substantial involvement in auditing a wide variety of Federal and State grant programs. We also provide many of these clients with on-going support and consulting services. Our **financial advisory services** are available to all of our clients on an as needed basis.

We feel that our experience in providing professional services to such entities will add significantly to our ability to provide high quality professional services to the Town of Belgrade.

<u>Client</u>	<u>Partner</u>	<u>Contact</u>
Town of Durham	Jennifer Conners	Jerry Douglass Town Manager 207-353-2561
Town of Freeport	Jennifer Conners	Jessica Maloy Finance Director 207-443-8338
Town of Winthrop	Jennifer Conners	Vernice Boyce Finance Director 207-377-7200





## SPECIFIC AUDIT APPROACH

Our audit of the Town will be conducted under a number of different groups of auditing standards as follows:

- Generally accepted auditing standards (GAAS)
- *Government Auditing Standards* (the yellow book), issued by the Comptroller General of the United States
- The requirements of the Single Audit Act Amendments of 1996 and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), if required
- American Institute of Certified Public Accountants, *Statements on Auditing Standards* and the Audit and Accounting Guide
- Governmental Accounting Standards Board Pronouncements

Our audit objectives consider all of the above standards. Ultimately, the objective is to determine whether the opinion units included in the financial report prepared under GASB standards, present fairly the financial position, results of operations, and cash flows, as applicable. In addition, overarching objectives include determining whether financial information is presented in accordance with stated criteria and whether the Town has adhered to specific financial compliance requirements which are covered by the above standards.

We follow a systematic, efficient audit approach. On the following pages, we have provided an outline of our approach and the segmentation for the engagement. The focus of our approach is in the planning phase. Proper planning ensures an efficient audit with adequate levels of testing in appropriate areas.

### Planning the Audit

Our planning process involves gaining an understanding of the government, the accounting standards applied and transaction processes, and financial reporting practices. We will apply analytical procedures and gain an understanding of the internal control applied to both financial reporting and to federal programs. Based on the information obtained, we will assess the risk that fraud could occur and subsequently design our audit procedures to ensure areas in which risk is higher have been adequately tested. Typically, as part of this process, we solicit information from key Town finance and accounting staff and plan unique tests each year in any areas in which these individuals feel might need a closer look.

Additionally, we would plan our testing of financial transactions, which is aimed at ensuring that there is effective control over revenues, expenditures, and expenses, assets and liabilities, that resources are properly accounted for, that periodic reports are being properly submitted. This includes specific tests every year of a minimum of forty payroll transactions that will be examined for compliance with internal controls, Federal and State regulations, and also for consistency with supporting documentation.





# SPECIFIC AUDIT APPROACH, Continued

## Planning the Audit, Continued

Finally, we would plan our testing required to meet the objectives of *Government Auditing Standards* and the Single Audit Act (if necessary) as required by the Uniform Guidance. Generally, this entails the testing of internal control over both financial reporting and compliance (general laws, regulations, contracts, and grant agreements). An important element in the planning in this area is ensuring proper coverage is met with respect to the rules under the Uniform Guidance.

## Audit Sampling and Materiality

RKO utilizes sampling for a variety of procedures in auditing the basic financial statements, for compliance testing, tests of controls, substantive tests of transactions and of balances, to meet the requirements of the Uniform Guidance, and to test compliance with laws and regulations. RKO first attempts to meet audit objectives by identifying and examining individually significant items. We then determine if additional testing through audit sampling is necessary to accomplish audit objectives. Materiality plays a key role in the determination of the need for additional testing especially in the cases of substantive tests of balances.

If materiality levels and other factors indicate sampling is necessary to meet audit objectives, RKO generally employs non-statistical sampling techniques following guidance given in various AICPA publications. Specifically, the tolerable misstatement is calculated and a risk factor determined. The sample size is then estimated using the following formula:

$$\text{Dollar value of population to be tested} \times \text{Risk factor} = \text{Sample size} \times \frac{\text{Tolerable misstatement}}{\text{to be tested}}$$

As always, if the auditor feels warranted to do so, sample sizes can be increased.

## Analytical Procedures

We use analytical procedures for the following purposes:

- To assist in planning the nature, timing and extent of other auditing procedures
- As a substantive test to obtain evidential matter about particular assertions related to account balances or classes of transactions
- As an overall review of the financial information in the final review stage of the audit





## SPECIFIC AUDIT APPROACH, Continued

### Internal Controls and Approach to Financial Audits

The Accounting Standards Board issued Statements on Auditing Standards (SAS), more commonly known as the Risk Assessment Standards. These standards affect audits across all industries, particularly in the area of internal controls, by requiring auditors to broaden their understanding of the client and its operating environment. This understanding encompasses a variety of areas including:

- Industry, regulatory and other external factors
- The nature of the entity including its application of accounting policies
- Organizational objectives, strategies, and the related risks
- Measurement and review of the entity's financial performance
- Internal control, including the control environment, the entity's risk assessment process, information systems related to financial reporting, control procedures, and monitoring of controls

As such, our approach will be to inquire of appropriate personnel, inspect, and review documents and records such as written policies, etc. and to observe activities and operations. Inquiries will be made, as necessary, to gain an understanding of various controls dependent on IT functions. After an understanding is obtained of the Town and its environment, RKO will assess the risks of material misstatements at the financial statement level. These assessments will determine the level and type of auditing procedures to be employed. We will then design an audit program tailored to concentrate our specific auditing procedures in the areas where control risk is high and to test compliance in areas of apparent strong internal control. Each procedure is based upon certain audit objectives associated with the particular areas under examination. Our procedures in testing internal controls and financial transactions are aimed at ensuring that there is effective control over revenues, expenses, assets, and liabilities, that resources are properly accounted for, that any required periodic reports are being properly submitted, that restrictive grant provisions are being complied with, and that applicable laws and regulations are being met. Once this audit program is developed, we will discuss the plan with the Town's management and confer on its content.

RKO utilizes a number of audit tests and procedures in auditing the financial statements. Upon completing our risk assessment of the Town, RKO first attempts to meet audit objectives by identifying and examining individually significant items. We then determine if additional testing through audit sampling is necessary to accomplish audit objectives. Materiality plays a key role in the determination of the need for additional testing especially in the cases of substantive tests of balances. For the Town's financial statement audit, materiality will be determined based on the total of all assets and/or revenues.

### Testing of Laws and Regulations and Reports on Compliance

As required by Government Auditing Standards (GAS) and the Single Audit Act we will test compliance with laws and regulations applicable to the Town. We will evaluate compliance at the entity-level and at the Single Audit level.

At the entity-level, we will determine which laws and regulations have a direct and material effect on the financial statements. We will evaluate these areas and then test for compliance. Examples of entity-level laws and regulations consist of budgeting requirements, debt restrictions, various other charter requirements, and state and federal laws.



- The auditor's responsibility under generally accepted auditing standards;
- Significant accounting policies;
- Management judgments and accounting estimates;
- Significant audit adjustments;
- Other information in documents containing audited financial statements;
- Disagreements with management;
- Consultation with other accountants;
- Major items discussed with management prior to retention; and
- Difficulties encountered in performing the audit.

standards: would also use this forum to inform the Town Manager and Board of the following as required by auditing identifying any financial "red flags", evaluating financial interrelationships, and discussing budget variances. We the financial statements and interpret the results of the current year's operations. This procedure would include we will be prepared to present the results of the audit to the Town Manager and Selectboard. We will discuss At the conclusion of our audit, RKO will assist in preparing the financial statements and related footnotes, and

### Audit Results

RKO will schedule periodic entrance and progress conferences to keep finance personnel apprised of the status of the audit and any problems encountered. At the conclusion of the audit, an exit conference will be held to discuss our audit findings and to obtain our client's comments on the correctness and completeness of the facts presented, their concurrence or nonconcurrence with the recommendations made, and the course of action to be taken on each recommendation. These procedures will ensure that there will be no misunderstanding of the findings presented and that corrective action is feasible. We will be available to assist implementing any desired corrective action.

### Entrance, Progress and Exit Conference

We would expect to issue a number of reports as a result of this compliance testing. The first reports on the 'entity-level' laws and regulations. The other reports report on compliance with requirements applicable to federal and state financial assistance programs. If any instances of noncompliance are noted as part of our tests, they would be included in a Schedule of Findings and Questioned Costs which would be referred to as part of these reports.

As supplemental engagements, the Uniform Guidance, such as additional requirements of federal or pass-through entities, would be performed (accounting and administrative) and compliance requirements. Other compliance requirements not covered by RKO uses what is known as dual purpose testing, one which can be utilized to test both internal controls compliance. Generally, at the Single Audit level, sampling will be used for the purposes of testing for compliance, as defined by the Single Audit Act. For these programs, requirements of each will be identified and tested for At the Single Audit level, if required, we will determine what federal programs of the Town are 'major' programs

### Testing of Laws and Regulations and Reports on Compliance, Continued



# SPECIFIC AUDIT APPROACH, Continued

## Audit Results, Continued

Finally, we would review the comments and findings presented in the reports on internal controls and the management letter to ensure the comments are understood, their significance is appreciated, and corrective action is implemented. We also welcome questions and/or general discussion regarding the financial statements and management letter.

## The Management Letter

As part of every audit engagement, we expect to issue a management letter presenting our comments and recommendations for improving less significant deficiencies noted in the accounting systems. We also use this forum for making suggestions which we feel are meaningful in the overall management of our clients' financial affairs. During our audit, we frequently identify inefficiencies, duplications and other impediments to a streamlined operation. We accumulate these observations and prepare recommendations on how to resolve them. Our suggestions are discussed with the appropriate members of the organization as they are developed.

## Report Format

Our reports follow the requirements of generally accepted auditing standards (GAAS), as approved and adopted by the membership of the American Institute of Certified Public Accountants, with the standards contained in Government Auditing Standards (the yellow book) and with the provisions of the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), if required.

## Assistance of Town Personnel

As disclosed during the proposal process, we understand that Town staff will be made available to assist in certain aspects of the audit, such as obtaining invoices, photocopying of requested documents and preparation of schedules and reconciliations.







## COMPENSATION

Our fees are predicated on the assumption that the Town's operations do not change significantly during the period of the engagement, that the Town's accounting records are reconciled, balanced, and otherwise in good order, and that Town personnel provide us with timely and accurate assistance, including schedules substantiating account balances and assistance in preparing confirmations and locating invoices. Obviously, should the scope of the audit increase or decrease significantly because of extraordinary circumstances identified during the audit, we would expect to negotiate modifications to our contract accordingly.

December 31, 2024	\$ 16,500
December 31, 2025	\$ 17,000
December 31, 2026	\$ 17,500
Optional two-year extension:	
December 31, 2024	\$ 18,000
December 31, 2025	\$ 18,500

Our per-hour quote for additional services to the Town would be as follows:

Partners - \$275; Manager - \$175-200; Supervisors - \$140; Senior accountants - \$125; Staff accountants - \$105.

Our practice is to submit periodic billings as the work progresses. We impose a late fee of 1½% per month on accounts over 45 days old.





# APPENDICES





## Government and Quasi-Governmental Clients

The following is a list of municipalities and quasi-governmental entities to whom we are currently providing audit services:

### Governmental Clients

<u>Client</u>	<u>Contact</u>	<u>Title</u>	<u>Phone</u>
Auburn, City of	Jill Eastman	Finance Director	207-333-6601
Augusta, City of	Ingrid Nivison	Dir. Fin./Admin.	207-626-2300
Bangor, City of	David Little	Finance Director	207-992-4204
Belgrade, Town of	Nicholas Poole	Treasurer	207-495-2258
Biddeford, City of	Nichole Wood	Finance Director	207-284-9313
Brewer, City of	Karen Fussell	Finance Director	207-989-7500
Brunswick, Town of	Julia Henze	Finance Director	207-725-6652
Cape Elizabeth, Town of	Kristie Bradbury	Finance Director	207-799-5251
Cumberland, Town of	Katherine Johnston	Finance Director	207-829-2205
Durham, Town of	Jerry Douglass	Town Manager	207-353-2561
Freeport, Town of	Jessica Maloy	Finance Director	207-443-8338
Gorham, Town of	Sharon Laflamme	Finance Director	207-839-3346
Kennebunkport, Town of	Nicole Evangelista	Finance Director	207-967-4243
Long Island, Town of	Lisa Kimball	Treasurer	207-766-5820
Maine Educational Center for the Deaf and Hard of Hearing	Cathy Murphy	Dir. Of Operations	207-781-3165
Maine Municipal Assoc.	Shelly Page	Ch. Fin. Officer	207-623-8428
Maine School Mgmt. Assoc.	Deborah Roberts	Ch. Fin. Officer	207-622-3473
M.S.A.D. No. 15	Diane Boucher	Dir. of Fin. And Op.	207-657-9202
M.S.A.D. No. 35	Ryan Cormier	Financial Manager	207-439-2438
M.S.A.D. No. 54	Melannie Keister	Accounting Supervisor	207-474-2497
M.S.A.D. No. 60	Denise Van Campen	Business Manager	207-676-2234
M.S.A.D. No. 65	Robert Webster	Superintendent	207-290-0287
M.S.A.D. No. 74	Carla Franzose	Business Manager	207-635-2727
Matinicus Isle Plantation	George Tarkleson	Town Treasurer	207-366-3970
Monmouth, Town of	Linda Cohen	Town Manager	207-933-2206
Norway, Town of	Dennis Lajoie	Town Manager	207-743-5301
Orono, Town of	Sophie Wilson	Town Manager	207-866-2566
RSU #2	Stephanie Saltzman	Business Manager	207-622-6351
RSU #4	Jessica Coulombe	Business Manager	207-375-4273
RSU #10	Leah Kaulback	Business Manager	207-562-7254
RSU #12	Michelle Grant	Business Manager	207-549-3261
RSU #18	Matthew Robillard	Dir. Of Bus./Finance	207-465-7384
RSU #23	Cindy Cox	Business Manager	207-934-5751
RSU #34	Barbara Grindle	Business Manager	207-827-7171
RSU #56	Mary Dailey	Business Manager	207-562-4300
RSU #57	Colin Walsh	Business Manager	207-247-3221



## Government and Quasi-Governmental Clients

Governmental Clients, Continued		
207-710-5015	Finance Director	Gerry Matherne
207-443-8202	Finance Manager	Jill Flaherty
207-767-7613	Finance Director	Ellen Sanborn
207-282-8281	Business Manager	Terry Gauvin
207-247-3221	Treasurer	Collin Walsh
207-620-2010	Exec. Director	Kristie Littlefield
207-377-7200	Finance Director	Vernice Boyce
207-846-2401	Finance Director	Dawn Madden
207-363-1004	Finance Director	Wendy Anderson

207-729-0148	Finance Manager	Lorraine Caron	Brunswick Sewer District
207-773-1738	Dir. of Finance	Greg L'Heureux	ecomaine
207-213-4144	Dir. of Finance & Admin.	Greg Leclair	Efficiency Maine Trust
207-472-1391	General Manager	Jonathan Helstrom	Fort Fairfield Util. District
207-865-3540	Superintendent	Dan Bicknell	Freeport Sewer District
207-563-5105	Office Manager	Deb Suchar	Great Salt Bay Sanitary Dist.
207-622-6184	General Manager	Brian Tarbuck	Greater Augusta Utilities Dist.
207-774-9891	Finance Director	Josh Kochis	Council of Governments Greater Portland
207-774-0351	General Manager	Gregory Jordan	Greater Portland Transit Dist.
207-861-4382	Finance Manager	Amy Dyer	Kennebec Water District
207-985-3311	General Manager	Todd Shea	Kennebunk Light & Power
207-784-2951	Finance Director	Tracy Roy	Lake Auburn Watershed Prot. Comm.
207-287-4179	Executive Director	Jonathan Wayne	Maine Ethics Commission
207-933-4262	Trustee	Jeff Jordan	Midcoast Regional Redev. Authority
603-444-6303	Finance Manager	Paul H. Ruopp, Jr.	Monmouth Sanitary District
		James Steele	North Country Council





## Report on the Firm's System of Quality Control

November 18, 2022

To the Partners of Runyon Kersteen Quellte, P.A. and the Peer Review Committee of the New England Peer Review

We have reviewed the system of quality control for the accounting and auditing practice of Runyon Kersteen Quellte, P.A. (the firm) 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](http://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, and audits of employee benefit plans.

As a part of our 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 Runyon Kersteen Quellette, P.A. 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*. Runyon Kersteen Quellette, P.A. has received a peer review rating of *pass*.

Vachon Clukay & Company PC

*Vachon Clukay & Company PC*





