



Proposal to provide professional auditing services to:

Village of North Prairie, Wisconsin

Prepared by:

RFP Subject	Request for Proposal for Professional Auditing Services: Village of North Prairie, Wisconsin
Firm Name	CliftonLarsonAllen LLP (CLA)
Name, Address, Telephone Number, Email Address of Contact Person	Bryan Grunewald, CPA, Principal 712 Riverfront Drive, Suite 301, Sheboygan WI 53081 Direct 920-803-3147 bryan.grunewald@CLAconnect.com
Date of Proposal	February 7, 2025

[CLAconnect.com](https://www.claconnect.com)

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



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Letter of Transmittal

February 7, 2025

Evelyn Etten, Administrator/Clerk/Treasurer
Village of North Prairie, Wisconsin
130 N. Harrison Street
North Prairie, WI 53153
clerk@northprairiewi.gov

Dear Evelyn:

Thank you for inviting us to propose. We look forward to the opportunity to provide services to Village of North Prairie, Wisconsin (the Village).

Understanding of the work to be done and commitment to perform within the time period

CLA has read and understands the work to be done as outlined in the Village's RFP section titled *Scope of Work*. We are committed to perform the work within the time period specified in the RFP.

CLA differentiators

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

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



supplemented by valuable local service and insight. Therefore, the Village will enjoy the service of members of our state and local government services team who understand the issues and environment critical to governmental entities.

5. **OMB Uniform Guidance (UG) experience** – CLA performs single audits for hundreds of organizations annually, ranking top in the nation for the number of single audits performed by any CPA firm. The single audit requires a specific set of skills to properly perform the procedures. As such, we have developed a group of professionals who specialize in providing single audit services.
6. **Fresh perspective** – By engaging CLA, the Village will benefit from a fresh look at its business operations, information systems, and financial risk management policies and procedures. You will be served by an engagement team with enthusiasm and a desire to meet and exceed expectations. We are confident that our industry experience will bring to the Village new ideas, creative approaches, and fresh opportunities to meet the financial management and accountability challenges before the Village.

Verification statements

I, Bryan Grunewald, your engagement principal-in-charge, will serve as the Village’s primary contact person for this engagement. Furthermore, as a principal of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the Village’s RFP. My contact information is as follows:

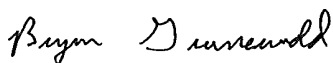
Bryan Grunewald, Principal
Direct: 920-803-3147
Email: bryan.grunewald@CLAconnect.com

We want to serve you, and we have the qualifications to deliver quality, timely work. Throughout this proposal, we take you on a journey outlining how we’ll work together and the value you can come to appreciate when we exceed expectations.

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

Sincerely,

CliftonLarsonAllen LLP



Bryan Grunewald, CPA, Principal

Authorized individuals

I, Bryan Grunewald, your engagement principal-in-charge, will serve as the Village's primary contact person for this engagement. Furthermore, as a principal of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the Village's RFP. My contact information is as follows:

Bryan Grunewald, CPA, Principal

Direct: 920-803-3147

Email: bryan.grunewald@CLAconnect.com

Understanding of the work to be accomplished

We have read the Request for Proposal (RFP) and understand the scope of the work to be performed as detailed in the RFP under the section titled *Scope of Work*.

Firm independence

CLA affirms that it is independent of the Village under the American Institute of Certified Public Accountant's Code of Professional Conduct and its interpretations and the U.S. Government Accountability Office's Government Auditing Standards, as required. Our firm-wide quality control policies and procedures foster strict compliance with these professional standards. In addition, the individuals assigned to your engagement are independent of the Village.

Commitment to perform the audit work on schedule

Should CLA be selected to serve this engagement, we will perform these services within the time period specified in the RFP and as finalized in the planning stages of the engagement.

To meet the requirements of the RFP, the audit will be performed in accordance with auditing standards generally accepted in the United States of America, as set forth by the American Institute of Certified Public Accountants; the standards set forth for financial audits in Government Auditing Standards issued by the Comptroller General of the United States; and any other applicable federal, state, and local laws or regulations.



Company Profile

National firm, local presence

CLA is a leading accounting firm employing some of the most talented and knowledgeable professionals in our industry. Although we have more than 130 locations throughout the United States, we make it our mission to have local offices that serve our clients efficiently. The engagement for the Village will be led by our local industry-specialized professionals with support from our firm-wide industry professionals and leaders.

Create opportunities

CLA exists to create opportunities for our clients, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. Our broad professional services allow us to serve clients more completely — from startup to succession and beyond.

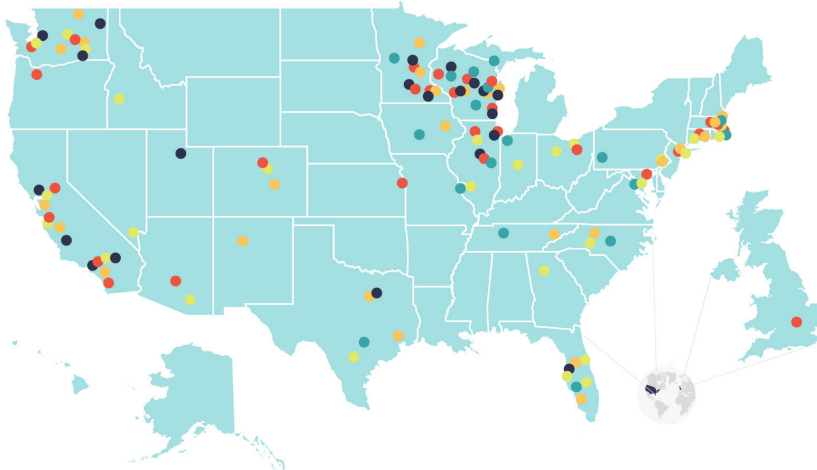
Our professionals are immersed in the industries they serve and have specialized knowledge of their operating and regulatory environments. With nearly 9,000 people in more than 130 U.S. locations and a global vision, we promise to know you and help you.

9,000
NEARLY 9,000 PEOPLE

130+
LOCATIONS

AN INDEPENDENT
NETWORK MEMBER OF

CLA Global



It takes balance™

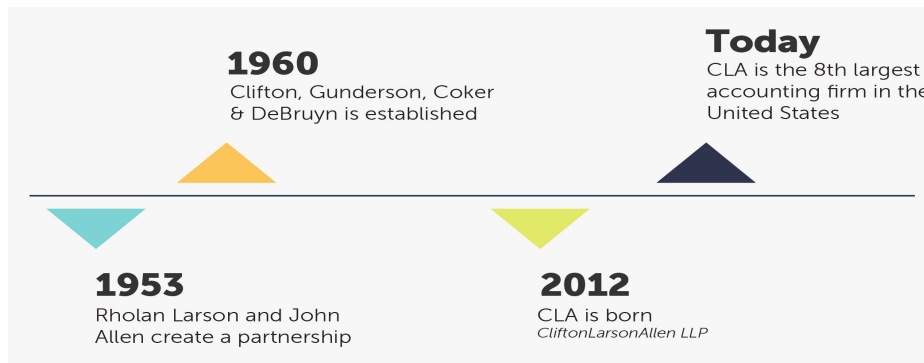
With CLA by your side, you can find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go. CLA has been recertified as a Great Place to Work in January 2024.

CLA is a leading accounting firm employing some of the most talented and knowledgeable professionals in our industry. Although we have more than 130 locations throughout the United States, we make it our mission to have local offices that serve our clients efficiently. The engagement for the Village will be led by our local industry-specialized professionals with support from our firm-wide industry professionals and leaders.



Firm history

On January 1, 2012, two regional firms, Clifton Gunderson and LarsonAllen, merged to become CLA. They were driven by a shared vision to be a different kind of firm and a dream to be America’s leading providers of professional services. We’re celebrating 12 years as CLA, but the roots of our culture reach back much further. Across decades, the philosophies that drove our legacy firms — from how they served clients and treated their people to how they did business — shared many attributes. We still find them present today in what we call the CLA Promise. CLA has been performing audits of local governments for 60+ years.



Office location and number of staff employed at office location

Our firm matches the necessary skill set to an engagement before considering the geographic location of the staff. Assigning team members who specialize in working with similar clients can provide the Village higher-quality services and allows us to complete the engagement in a more efficient and effective manner with little interruption to your staff.

The Village will be served by state and local government professionals located in our Northeast and Southeast Wisconsin regions with staffing from our Sheboygan, Green Bay and Milwaukee, Wisconsin office locations. The following table provides additional information by staff level related to the size of our state and local government team members in our Wisconsin region.

Level of Staff	State and Local Government Staff in Wisconsin	State and Local Government Staff in Northeast WI	State and Local Government Staff in Southeast WI
Principal/Signing Director	10	4	3
Director/Manager	10	6	1
Senior	15	7	3
Associate	12	5	2
Paraprofessionals/Other	10	5	0
Total	57	27	9

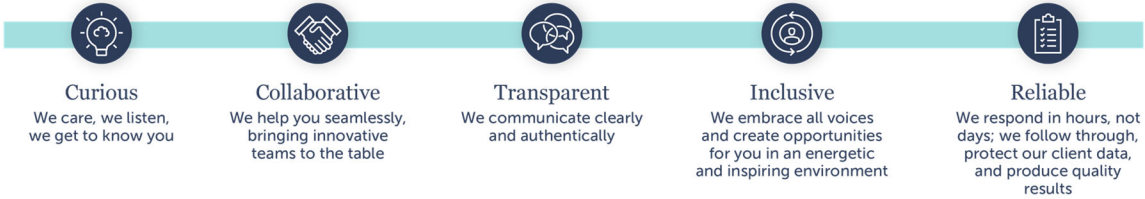


Summary of Your Firms Qualifications

You deserve to work with people whose values match your own. Our values drive our behavior and lead to service delivery that exceeds expectations and provides you with the [CLA client experience](#).

What does that mean? It means you'll work with a team with the resources to support the whole of your organization. You can count on industry specialized professionals who bring ideas and strategies that are relevant and actionable. Quite simply, you'll encounter value beyond the expected.

We put relationships first. Our family culture is at the center of our success, and we invite different beliefs and perspectives to the table, so we can truly know and help our clients, our communities, and each other. Here's what you can experience.



Your time is valuable: We know how to deliver quality, timely work, and we take care of the details so you can focus on what really matters: the important decisions that drive your success.



State and local government experience

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

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

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



Deep industry connections

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

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

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

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

Insight to strengthen your organization

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

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

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



Support at every turn

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

- [Affordable Care Act \(ACA\) reporting and compliance](#)
- [Audit](#), review, and compilation of financial statements
- Compliance audits (HUD, OMB Single Audits)
- [COVID-19 funding support](#)
- [Cybersecurity](#)
- [Enterprise risk management](#)
- [Forensic accounting, auditing, and fraud investigation](#)
- Fraud risk management
- [Grant compliance](#)
- Implementation assistance for complex Governmental Accounting Standards Board (GASB) statements
- [Internal audit](#)
- [Outsourced business operations](#)
- [Performance auditing](#)
- [Purchase card \(p-card\) monitoring and analytics](#)
- [Risk assessments](#)
- Strategic, financial, and operational consulting
- [Telecom management services](#)



Similar governmental audit engagements

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

Village of Oostburg, Wisconsin	
Client Contact	Amy Wilterdink, Clerk / Treasurer
Phone Number Email	920-564-3214 amy.wilterdink@oostburgwi.org
Length of engagement	More than 15 years

Village of Howards Grove, Wisconsin	
Client Contact	Mary Komoroski, Clerk / Treasurer
Phone Number Email	920-234-0304 clerktreasurer@howardsgrovewi.gov
Length of engagement	More than 15 years



Village of Adell, Wisconsin	
Client Contact	Kelly Rathke, Clerk / Treasurer
Phone Number Email	920-994-8620 villageofadell@wi.tcbc.com
Length of engagement	More than 20 years

Town of Sheboygan, Wisconsin	
Client Contact	Jamie Hilbelink, Treasurer / Utility Clerk
Phone Number Email	920-451-2320 Jamie@townofsheboygan.org
Length of engagement	More than 20 years

Town of Mishicot, Wisconsin	
Client Contact	Connie Tesarik, Town Clerk
Phone Number Email	920-776-1597 clerk@tn.mishicot.wi.gov
Length of engagement	More than 20 years

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



Approach to Scope of Services

Firm's Plan to complete services

The CLA Seamless Assurance Advantage (SAA)

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



A different approach

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



Insights through analytics

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

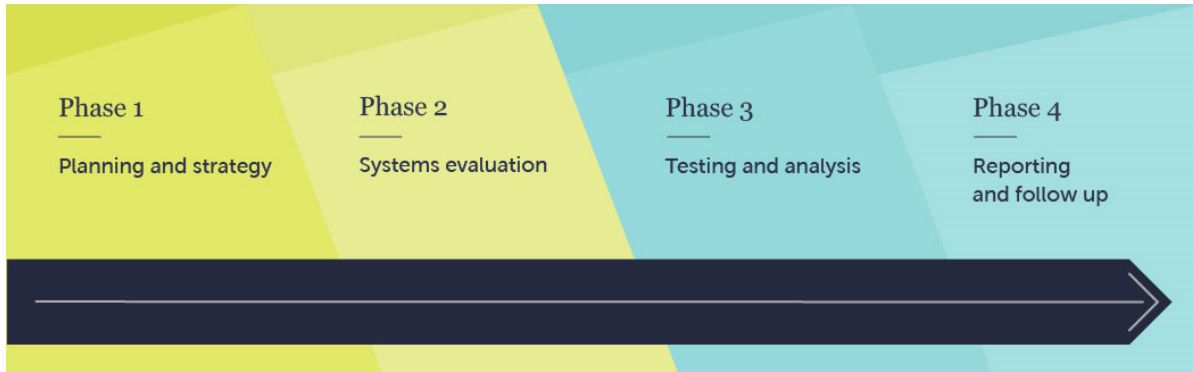


Effective technology

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



Financial statement audit approach



Phase 1: Planning and strategy

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

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

We will document our planning through:

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

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

The audit engagement will be planned under the direction of the engagement leader and in-charge. We will clearly communicate any issues in a timely manner and will be in constant contact as to what we are finding and where we expect it will lead.

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

Phase 2: Systems evaluation

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

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

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

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

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

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

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



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

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

Phase 3: Testing and analysis

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

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

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

Phase 4: Reporting and follow up

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

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

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

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

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

Elevating with artificial intelligence (AI)

CLA is committed to harnessing cutting-edge technology to enhance client service. We may use AI to enhance your audit engagements. This can include:

- **Research and document drafting:** CLA professionals may use CLAgpt, our secure, proprietary tool to ask questions and make requests of generative AI trained on several CLA-specific resources.
- **Document summarization:** We may use CLA Family Assistant to help extract and summarize information relevant to our audits, including minutes review, leases, debt agreements, and other document types.
- **Invoice extraction:** CLA may use AI tools to extract relevant fields from invoices and other documents.

When AI is used, the work is supervised by CLA professionals who verify results before making final decisions. Client information remains confidential when working with these tools.

Communication process

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

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

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

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

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



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

Data analytics

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

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

The phases in our data analytics process are as follows:

1. Planning

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

2. Expectations

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

3. Data acquisition

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



4. Technical data analysis

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



5. Interpret results and subsequent risk assessment

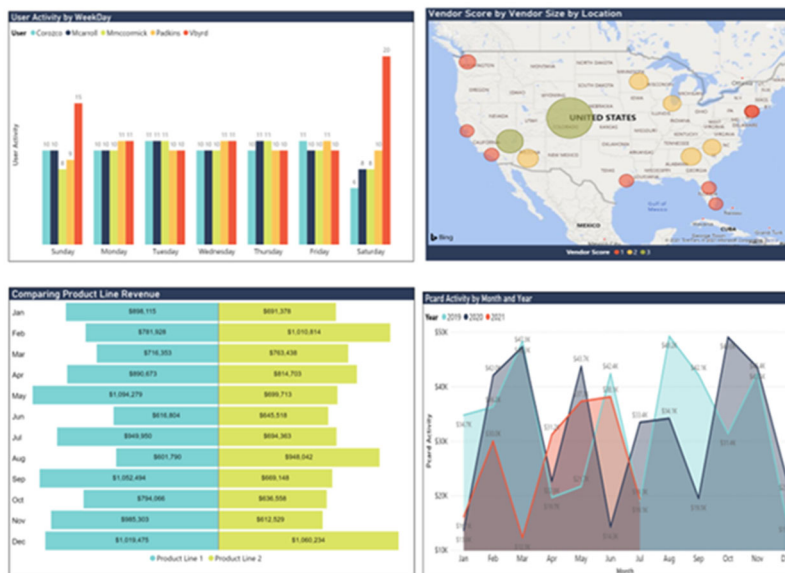
Trends and anomalies will be identified through the performance of the above referenced analytics. Comments regarding the interpretation of those trends and anomalies will be captured. When trends are identified, they are reconciled against expectations. For anomalies identified, the approach to further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

6. Response and document

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

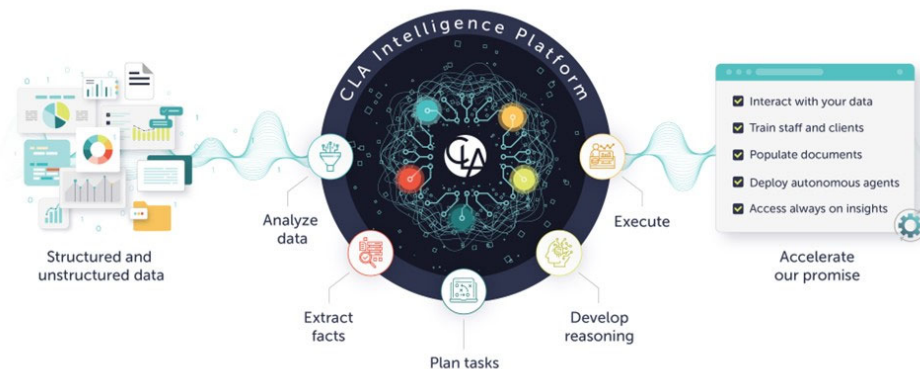
- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100% data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unlimited data access allows us to access and analyze data from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

The below figure illustrates typical data analytics scenarios.



CLA Intelligence Platform: Digital services and generative AI

Let us help you harness cutting-edge technology to transform the way your teams work and uncover deeper business and financial insights.



Digital transformation is no longer optional, it's a necessity. With CLA, you'll find a [comprehensive suite of capabilities](#) spanning automation and integration, data analytics, software, and cybersecurity — offering you new opportunities to navigate and thrive in the digital age.

By leveraging digital product solutions and services, you can improve your business operations and achieve big goals, whether that's streamlining processes, enhancing customer experiences, embracing generative artificial intelligence (AI), or driving innovation. We help you put digital solutions in place to:

Drive growth and profitability	Drive more value from software	Gain efficiencies and quality
Improve employee experience and retention	Make data-driven decisions	Make your data work for you
Manage security more effectively	Put the power of AI in your hands	Reduce cyber and other threats



Assistance from client

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

To assist in this process, we will provide a detailed Prepared by Client list early in the engagement. We will ask that your accounting staff provide us with standard schedules, as well as additional requested supporting items. We anticipate that your accounting personnel will need to locate and submit to us certain invoices, vouchers, cancelled checks, and other documents and records. We are extremely flexible as to the format in which we receive this information and will determine through the use of the latest technology that your personnel will not be asked to perform any unnecessary or extensively disruptive tasks.

We will depend on your staff to provide us with as much information as possible, in an effort to limit everyone’s time on the engagement and, ultimately, to save your organization money.

Statistical sampling

We follow the guidance of AU-C Section 530, Audit Sampling, in using statistical and nonstatistical approach. We use quality control material in all our audit engagements. These AU-C Section 530 – “Audit Sampling” forms guide our staff through a logical process of assessing inherent risk, control risk, and combined audit risk, followed by an assessment of appropriate sample size for testing.

Sample sizes will vary depending on the nature of the testing (compliance versus substantive) and the size of the population being sampled. Sampling techniques are utilized in compliance and internal control testing, as well as substantive testing of certain asset and liability account balances. Sample sizes used for internal control testing depend on a number of factors, namely the number of expected or actual control deviations, size of population, and level of control assurance anticipated. Sample sizes can range from 20 to 90 possible selections.

To illustrate, if no internal control deviations are anticipated and the frequency of the population (i.e., the number of times the control is performed in a given year) is less than 100, then we will test 20 transactions in order to obtain moderate control assurance. If two internal control deviations are anticipated, and the frequency of the population is greater than 200, then we will test 90 transactions in order to obtain low control assurance. We are usually able to cover a substantial portion of the compliance and controls testing with one sample, resulting in a very efficient approach.

Quality control procedures and peer review report

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

In addition to an external peer review, we have implemented an intensive internal quality control system to provide reasonable assurance that the firm and our personnel comply with professional standards and applicable legal and regulatory requirements. Our quality control system includes the following:

- A quality control document that dictates the quality control policies of our firm. In many cases, these policies exceed the requirements of standard setters and regulatory bodies. Firm leadership promotes and demonstrates a culture of quality that is pervasive throughout the firm's operations. To monitor our adherence to our policies and procedures, and to foster quality and accuracy in our services, internal inspections are performed annually.
- Quality control standards as prescribed by the AICPA. The engagement principal is involved in the planning, fieldwork, and post-fieldwork review. In addition, an appropriately experienced professional performs a risk-based second review of the engagement prior to issuance of the reports.
- Hiring decisions and professional development programs designed so personnel possess the competence, capabilities, and commitment to ethical principles, including independence, integrity, and objectivity, to perform our services with due professional care.
- An annual internal inspection program to monitor compliance with CLA's quality control policies. Workpapers from a representative sample of engagements are reviewed and improvements to our practices and processes are made, if necessary, based on the results of the internal inspection.
- Strict adherence to the AICPA's rules of professional conduct, which specifically require maintaining the confidentiality of client records and information. Privacy and trust are implicit in the accounting profession, and CLA strives to act in a way that will honor the public trust.
- A requirement that all single audit engagements be reviewed by a designated single audit reviewer, thereby confirming we are in compliance with the standards set forth in the *Uniform Guidance*.

Report on the Firm's System of Quality Control

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

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

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

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

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

Opinion

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

Cherry Bekaert LLP

Cherry Bekaert LLP
Charlotte, North Carolina
November 18, 2022

Engagement team

The true value in working with our team is developing a personal and professional relationship with leaders who understand your industry, challenges, and opportunities — with the full support of an entire CLA family behind them.

Meet your service team below.

Engagement Team Member	Role	Years' Experience
Bryan Grunewald, CPA, Principal	Engagement principal – Bryan will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. Bryan is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.	20+
Megan Hovell, CPA, Director	Engagement director – Megan will act as the lead director on the engagement. In this role, Megan will assist the engagement principal with planning the engagement and performing complex audit areas. She will perform a technical review of all work performed and is responsible for the review of the annual financial report and all related reports.	8+
Yvette Mueller, CPA, Director	Accounting assistance & consulting director – Yvette will act as the primary contact for any accounting assistance needs. Yvette has extensive experience working with other similar size entities, regulatory reporting requirements, and multiple software applications. In this role, Yvette will serve as a resource for year-end accounting as well as accounting needs throughout the year	20+
Additional senior and staff – We will assign an additional senior accountant and staff to your engagement based on your needs and their experience providing services to similar clients.		

Detailed biographies can be found in the *Appendix*.

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



Transition plan

We recognize that a move to a new firm presents an opportunity as well as a challenge. Over our 60-year history, we have transitioned many clients and have a collegial and professional relationship with many firms. Our seamless transition can help reduce your team's time.



Upon appointment as auditors, we will schedule a planning meeting with the appropriate management of the Village in order to:

- Review our approach and roles, and solicit comments and concerns
- Schedule work
- Establish key meeting and reporting dates
- Review the audit requirements

Our approach to transition includes:

- A well-structured, experienced engagement team
- More intensive involvement by principals and managers in the transition
- Careful and complete communications at all levels of the team to resolve issues and concerns
- User-friendly audit tools
- A review of prior auditor's work papers to gather pertinent historical accounting information and documents

All transition activities will involve on-site participation of the audit service team to:

- Focus our efforts only upon relevant matters
- Avoid unnecessary efforts by your personnel
- Make the audit process more responsive



Engagement timeline

Count on clear communication and regular updates.

Proposed work plan

Per our discussions we have designed a plan that meets your needs and key deadlines. In our planning meeting, we'll discuss this timeline with you in greater detail and adjust as appropriate.

February	Pre-interim work Review prior year workpapers Request initial planning documents from the Village
February	Initial planning meeting
March/April (As mutually agreed upon)	Interim and final audit fieldwork (combined due to timing of RFP)
May / June	Draft reports
June or July	Presentation to the Village
Ongoing	Planning and update meetings throughout the year

Statement of why CLA believes itself to be the best qualified to perform the engagement

We believe that we are the best qualified to perform the engagement because of our combination of industry-specialized insight and resources, communication and proactive leadership, our focus on providing consistent and dependable service, and our strong desire and commitment to know you and to help you. We hope that these qualities are evident throughout our response to the proposal.



Audit Pricing Submission

Having upfront conversations builds relationships.

The value we can provide your organization starts with helping you uncover revenue opportunities and put dollars in your pocket. While we are addressing your compliance needs, our insights and strategies also represent a return on your investment. Based on our understanding of your requirements, please find the audit pricing noted below:

Professional Services	2024	2025	2026
Financial Statement Audit	\$18,600	\$19,290	\$19,975
Preparation of State Report Form C	\$925	\$950	\$975
Technical Resource Fee (5%)	\$975	\$1,010	\$1,050
16 hours of Consultation Time	Included above		
Total	\$20,500	\$21,250	\$22,000

Our fixed-fee quote is designed with an understanding that:

- Village personnel will provide documents and information requested in a timely fashion.
- The operations of your organization do not change significantly and do not include any future acquisitions or significant changes in your business operations.
- There are not significant changes to the scope, including no significant changes in auditing, accounting, or reporting requirements.
- There is 16 hours of consultation time included in the pricing as presented above. This is being included as requested in the request for proposal. If additional accounting assistance and consultation outside of the scope of the audit is needed, the scope of the project and estimated additional time would be discussed with your prior to starting any additional work. The additional time will be billed at standard hourly rates, currently ranging between \$135 and \$170 per hour.

The 5% technology and client support fee supports our continuous investment in technology and innovation to enhance your experience and protect your data.



Fee increase

Our fees are based on professional standards and regulations currently in effect and barring any changes in the nature or requirements of the engagement, our annual fees will increase in accordance with the increases in our payroll and overhead costs. In addition, costs could increase due to substantial changes in your office locations, asset size and/or operational structure. If fee increases are expected outside of the ranges provided above, we would discuss with management prior to the completion of the work.

No surprises

Our clients don't like fee surprises. Neither do we. If changes occur, we will discuss a revised fee proposal with you before beginning any work. For any "out-of-scope" work, we will provide an estimate for your approval.

It's not our policy or practice to bill our clients every time we receive a phone call or email. We're invested in our relationships and strongly encourage intentional and frequent communication. Contact us year-round as changes or questions arise.

We are committed to creating a long-standing relationship. If you have concerns about the fee structure, give us a call and let's discuss.

Transparent: Clear, authentic communication and market-based fees.



Appendix

Your service team biographies



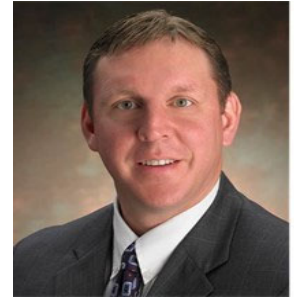


Bryan Grunewald, CPA

CLA (CliftonLarsonAllen LLP)

Principal
Sheboygan, Wisconsin

920-803-3147
bryan.grunewald@CLAconnect.com



Profile

Bryan has more than 20 years of experience providing auditing and consulting services to governments and nonprofits in Wisconsin.

Bryan assists clients with implementing new accounting standards and preparing financial statements in conformity with the criteria of the Government Finance Officers Association's Certificate of Achievement Program. He specializes in the review of financial policies and procedures and provides recommendations to increase efficiency and effectiveness of internal controls. Bryan reviews utility rate studies and identifies opportunities for improvement in rate structure. He also assists with the implementation of financial accounting systems and provides recommendations for chart of accounts structure.

Technical experience

- Responsible for the performance of financial statement audits, *Uniform Guidance* audits, and State of Wisconsin single audits for governmental and nonprofit entities
- Consulting services, including rate design, budgeting, capital planning, administrative organization review, internal control design

Education and professional involvement

- Bachelor of business administration in accounting from University of Wisconsin—Whitewater
- American Institute of Certified Public Accountants
- Certified Public Accountant in the state of Wisconsin
- Wisconsin Institute of Certified Public Accountants
- Wisconsin Government Finance Officers Association

Continuing professional education

- American Institute of Certified Public Accountants – Government Conference
- Government Finance Officers Association Conference and GAAP update
- Wisconsin Government Finance Officers quarterly conference attendee
- Adheres to all applicable AICPA, WICPA, and GAS requirements





Yvette Mueller, CPA

CLA (CliftonLarsonAllen LLP)

Director
Green Bay, Wisconsin

414-721-7572
yvette.mueller@CLAconnect.com



Profile

Yvette has over 27 years of accounting experience, of which over 20 years have been directly in, and providing accounting and auditing services to, Wisconsin governments. As the former Finance Director of a Wisconsin county along with many other leadership positions within county governments of small, medium and large size, she understands the complexities and challenges that public sector clients are tackling. Yvette provides clients with fully tailored financial management advisory and consulting services, including:

- Financial management solutions: strategic planning, annual and multi-year budgeting, and long-term capital improvement plans.
- Financial review and analysis: feasibility studies, rate studies, financial policies review and recommendations, financial reporting strategies, and impact analysis.
- Financial accounting process and control assessments: assists in building a more strategic and streamlined finance department by conducting process and control reviews and following through with recommendations and implementation.
- Accounting services: account analysis and reconciliation, general accounting and interim leadership roles, implementation of new accounting standards, and regulatory compliance and assistance.

Yvette is also highly skilled in government financial statement preparation and advanced preparation of Wisconsin State Municipal Financial Reports, Schedule of Federal and State Awards, Wisconsin Public Service Commission Reports and Wisconsin Department of Public Instruction Reports.

Education and professional involvement

- Bachelor of business administration in accounting from University of Wisconsin—Eau Claire
- Certified Public Accountant in the State of Wisconsin
- American and Wisconsin Institute of Certified Public Accountants

Continuing professional education

- Yvette attends a minimum of 20 credits annually of continuing professional education classes, including a minimum of eight credits of audit and accounting classes, resulting in 120 credits for three-year requirement. Every two years, a minimum of 24 credits of CPE specifically related to Yellow Book requirements is completed.

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



Megan Hovell, CPA

CLA (CliftonLarsonAllen LLP)

Director
Green Bay, Wisconsin

920-455-4164
Megan.hovell@CLAconnect.com



Profile

Megan is responsible for planning and supervising the field work of audits for Wisconsin school districts and municipalities. She has experience preparing financial statements, Wisconsin Department of Public Instruction reports, State Financial Report Forms, Public Service Commission Annual Reports, and the Schedule of Federal and State Awards.

Technical experience

- Audits of local governments, including counties, cities, villages, towns, special districts, tax increment districts, and school districts
- Consulting services, budgeting, capital planning, administrative organization review, internal control design

Education and professional involvement

- Bachelor of business administration in accounting with a minor in economics from St. Norbert College, De Pere, Wisconsin
- Certified Public Accountant in the State of Wisconsin
- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants

Client experience

Counties, cities, and villages

- Door County
- Outagamie County
- Winnebago County
- Waupaca County
- Village of Allouez
- Village of Hobart
- Village of Pulaski
- Village of Suamico
- Village of Suakville
- City of Port Washington
- City of Appleton

School districts

- School District of Elmbrook
- Oconto Unified School District
- Cedar-Grove Belgium School District
- School District of Oostburg
- Valders Area School District

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